

AFGHANISTAN

TRANSITIONAL RESETTLEMENT AND RECONSTRUCTION STRATEGY

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EXECUTIVE SUMMARY

Nearly a decade of war has killed at least 1 million Afghans, internally displaced another 2 million, and driven more than 5 million into exile. Agricultural production has dropped to half of its pre-war level; public health care and education are almost non-existent; and, much of the country's trade, natural gas and mineral extraction activities are captive to the Soviets.

European Private Voluntary Organizations (PVOs) were first on the scene in the early 1980s with limited programs to assist some Afghans remaining in their country. In 1985, the U.S.G. through the Agency for International Development began to support some of those PVOs, and continues to do so, although with an increasing emphasis on U.S. groups. In 1986 and 1987, A.I.D. inaugurated a program of humanitarian assistance through Afghan committees sponsored by the Islamic Unity of Afghan Mujahideen (Alliance). Afghan organizations now are delivering food, medicines and other commodities; training paramedical personnel and providing basic health services; supporting primary education; and, providing agricultural assistance with emphasis on rural works. These A.I.D.-assisted programs are growing rapidly.

It is U.S.G. policy to continue this bilateral program consistent with Administration and Congressional desires while strongly supporting U.N. initiatives for resettlement that are supportive of U.S. objectives. Multinational mobilization of resources is unquestionably required for this immense undertaking. U.N. resources should promote economic and political stability by avoiding the provision of assistance through any Kabul government which does not enjoy the support of the majority of the people. Whatever the political limitations of the Resistance Alliance, it can either facilitate or detract from the ability of the U.N. to perform its role, as can the GOP from whose territory operations must be mounted. U.N. representatives are well aware of this and are moving towards the establishment of improved relations with both the Alliance and the GOP.

In this multinational context, A.I.D.'s bilateral program will continue to focus on developing Afghan institutional capabilities for the management of civil governance in a post-war environment. A.I.D.'s provision of goods--
transportation assets (trucks and pack animals), food, clothing, medicines, books, farm and road building machinery--has been undertaken with and through Afghan organizations and in conjunction with the GOP. All training



of Afghans in A.I.D. supported sectoral projects is aimed at preparing them to eventually function independently of the U.S. program.

The signing of the Geneva Accords and the withdrawal of the Soviets have spurred several U.N. agencies to plan for a massive assistance effort associated with the expected return of the refugees now in Pakistan and Iran, and the return home of internally displaced persons. The U.N. Secretary General has appointed a Special Coordinator, former U.N. High Commissioner for Refugees Prince Sadruddin Aga Khan, to give general U.N. oversight to the plans and follow-on activities of the U.N. to facilitate Afghan resettlement and initial reconstruction efforts.

UNHCR, WFP, and UNICEF plans have advanced farther than the other U.N. agencies, but much more detailed planning is required. Meanwhile, the U.S. bilateral assistance activities continue to deliver goods and services to increasing numbers of beneficiaries and offer strong models for the nascent U.N. efforts.

During the resettlement and reconstruction period, activities in all sectors of current A.I.D. involvement will continue, but the immediate priorities will be food security and reconstruction of the agricultural sector. While the U.N. preparations continue, the A.I.D. program can quickly expand

activities should increased funding become available. The Commodity Export Project has already been amended at a higher level while adding new components; the Health Sector Support Project redesign is complete and aims to expand basic health services; and, assessment/redesign teams will arrive shortly in Pakistan to examine the education and agricultural projects with the goal of reshaping them to meet changing needs. While the U.S. Government fully supports the multilateral effort, for the near term it is in the political and humanitarian interests of our Afghan allies, and the combined resettlement and reconstruction effort to continue the bilateral program. Its primary focus will be to help ensure that conditions inside Afghanistan will enable the existing and returning populations to sustain themselves, and to begin the reconstruction of their country. An economic refugee reflow to Pakistan would be disastrous from both political and donor assistance points of view.

There will be points of convergence between the A.I.D. and the U.N. programs as each evolves. Multilateral resources are imperative to achieve the necessary level of effort. In the meantime, the U.S. bilateral program provides a practical model for emulation by the U.N. and other bilateral donors, and delivers essential goods and services to an increasing number of Afghan beneficiaries. The Mission may be required to move into Afghanistan during the planning period.

I. Introduction

Nearly ten years of war have had a devastating effect on the society and economy of Afghanistan. Five million people have fled the country to settle as refugees in Pakistan and Iran. Another two million have abandoned their villages for more secure areas within Afghanistan, either in the regime-controlled cities or rural areas removed from military conflict. The estimates of Afghan dead run from 1 million to 2.5 million people. In addition to those killed, many have been injured, maimed or crippled, and there are countless widows and orphans with no real means of livelihood. Property damage cannot be calculated but is known to be enormous. The destabilizing psychological affects on the Afghan people of so much death and destruction will require a generation or more to expunge from the national psyche.

Agriculture production has declined to a level estimated to be as low as fifty percent of the pre-war level. Declines are attributed to labor shortages; the neglect and destruction of irrigation systems, wheat fields and orchards; the widespread loss of draft animals; and the lack of agricultural inputs such as fertilizer and insecticides.

Formal rural health care delivery systems, which were limited before the war, are now virtually non-existent. Recent UNICEF data indicate that Afghanistan has the highest infant mortality rate in the world. Moreover, life expectancy at birth is only 39 years, compared to 59 years in neighboring Iran.

The education system is yet another victim. Pre-war statistics indicate a maximum twelve percent literacy rate for both men and women. This has worsened because the vast majority of young people have received no education over the past ten years. That which has occurred has been of marginal quality, conducted with limited human and material resources. Higher education barely exists. Typical is Kabul University where the engineering and agriculture laboratories have been stripped and most of the trained staff have fled to the West.

The resettlement of the millions of internal and external refugees and the reconstruction of the Afghan nation will require massive amounts of assistance--capital, technical, and managerial. This transitional strategy describes the U.S. government approach for helping Afghans not under Kabul's control to manage resettlement and reconstruction assistance received through both bilateral and multilateral channels. Initially, the program will be operated out

of Pakistan without the cooperation of the central government in Kabul. Given the rapidly evolving nature of the Afghan situation, the strategy anticipates only the next eighteen to twenty-four months. It may have a shorter life or a longer one, and the Mission may transfer in whole or in part to Kabul depending on evolving political-military events and U.S. policy. It is hoped that near the end of the transitional period, a new strategy can be written for the post-Soviet period. Since this plan emanates from experience gained under the bilateral program, it is useful to start with a brief description of it. A short version of the Resettlement, Reconstruction and Development paper submitted earlier this year is found at Annex E, so that readers may see how thinking has evolved since that time.

II. Program Description

The program for war-affected Afghans in Afghanistan was initiated in 1985 with \$8 million of reprogrammed funds. As a result of strong Administration and bipartisan Congressional support, it has expanded rapidly, totaling some \$76 million in appropriated funds in FY 88. Uncounted is the value of the hundreds of tons of donated materiel which the Mission manages each year.

BHA
objection

The primary objective has been to minimize the suffering of Afghans living in the liberated regions of Afghanistan and consequently slow or even reverse the outflow of refugees to Pakistan and other countries. A more recent and equally important objective is to strengthen the capabilities of the Afghan resistance to manage humanitarian goods and services, with the ultimate aim of helping develop an indigenous institutional capacity to perform some of the civil functions of regional and/or central government.

When the program was initiated in 1985, European private voluntary organizations (PVOs) were the only channels available to A.I.D. for reaching Afghans living in Afghanistan. The program relied exclusively on PVOs that first year and continues to provide significant support to them today. Grant recipients now include American as well as European organizations. In FY 1988, \$9.4 million has been awarded to PVOs through two projects. One primarily supports health activities; the other helps Afghans with cash grants for the purchase of food, or through commodity and technical assistance to increase the production of food.

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In early 1986, the Islamic Unity of Afghan Mujahideen (Alliance) began to organize itself to channel humanitarian goods and services to Afghans living in liberated regions and the U.S.G. made a policy

decision to directly assist the Alliance in its endeavors. A.I.D. then encouraged and supported the development of an Afghan capacity to plan and execute assistance programs because this serves the long term U.S.G. interests for establishing a free, self-governing, non-aligned Afghanistan, and because Afghan delivery mechanisms would enable A.I.D. to extend and multiply programs far beyond what the expatriate PVOs could accomplish (there are no indigenous PVOs). With the help of U.S. technical assistance teams and despite differences among Alliance members, viable Afghan institutions and operating systems have been created for education, health and agriculture. Goods and services are being delivered inside Afghanistan by these institutions and systems, and planning and policy-making capabilities are steadily improving. Under a separate arrangement, A.I.D. is channeling commodity support (including food aid) through the respective Alliance political parties. (A detailed discussion of the A.I.D. program is found in Annex A with an explanation of monitoring systems now in place.)

As could be expected, the conditions of war have imposed constraints on traditional modes of implementation. They have also impeded A.I.D.'s ability to monitor resources and to evaluate the impact of programs -- there are severe restrictions on the travel of U.S. citizens inside Afghanistan and to sensitive border areas. Also,

the Government of Pakistan has requested that public information about the program be limited in order to help it avoid an unnecessary limelight role and to minimize security risks to program participants -- this should change as the U.N. program becomes publicized and Soviet and RA forces give up more territory. In addition, the Government of Pakistan has insisted on direct involvement in policy-making and program operations through non-traditional counterpart organizations.

III. Resettlement and Reconstruction

The Geneva Accords were signed on April 14, 1988 and went into effect May 15. They provide for the withdrawal of all Soviet troops, potentially paving the way for one of the largest human migrations since World War II. Fifty percent of the troops were withdrawn by August 15, with the balance due out no later than February 15, 1989 and possibly by January 1. The latter date is a key target for all humanitarian programs since it symbolizes a point at which planners can realistically foresee a significant return of refugees -- weather, mines, and key political factors permitting.

For the following reasons, the U.S. Government encouraged the appointment of a United Nations' high level, prestigious

"Coordinator for Humanitarian and Economic Assistance Programs for Afghanistan" to take the lead in organizing and coordinating the resettlement effort (reconstruction per se will probably be taken over by a new Kabul government with the UNDP or IBRD presiding over a regular consortium group):

- no single donor (and certainly not the U.S.G.) can absorb the costs of a resettlement and reconstruction program at the high levels of funding believed necessary -- a U.N. umbrella is the only way to attract major funds over an extended period from a variety of donors (some \$96 million have already been pledged with some prospects for as much as \$500 million before the end of the year);
- the need to coordinate a wide variety of international, binational and private programs;
- the absence of a legitimate Afghan government or any other entity in Kabul equipped to serve as the coordinator of donor assistance; and,

- the political importance for intra-Afghan and broader foreign policy reasons to maintain a non-obtrusive U.S. government profile.

The U.S. and other governments are strongly urging the U.N. to develop a program which follows rather than leads the refugees. Neither "push" nor "pull" incentives should be imposed. Refugees themselves will determine when conditions are right for resettlement, relying on information provided by their own networks, donor awareness programs, and the media. It is recognized that in certain areas some reconstruction activities are necessary before refugees can return with realistic hopes of sustaining themselves. The repair of irrigation systems is a good example which is already being addressed by A.I.D. Temporary food supplies, seeds, farm tools and replenishment of livestock are other clear examples.

At this point, there is a consensus that the following minimal conditions must exist before a significant movement of refugees will occur:

- withdrawal of all Soviet troops from at least significant regions and removal of RA forces from lines of communication with those regions;

- removal of the Najibullah or any successor Marxist government, to include the ruling People's Democratic Party, or its abandonment of significant regions of the country;
- peaceful conditions prevail (lack of widespread ground warfare and cessation of high altitude aerial bombing) in significant areas of the country and the routes to them from the borders, including a reduced mine threat; and
- availability of adequate donor supplied or commercial food resources until food self-sufficiency can be attained.

Introduce new U.S.G. policy

It is U.S. policy that UN resources should promote economic and political stability by avoiding the provision of assistance through any Kabul government which does not enjoy the support of the majority of the people. Assuming that mechanisms acceptable to the U.N., the Government of Pakistan and the Alliance can be created, the U.S. is encouraging the U.N. to work through Afghan political and administrative institutions created by or at least responsive to resistance authorities which do enjoy the support of the Afghan people.

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An early priority for resettlement, and closely related to the minimal criteria for it to occur, will be clearing the millions of mines that have been sown by the Soviet and RA forces. A.I.D. will work with other U.S.G. agencies, the U.N. and the GOP to assist in mine awareness programs by creating educational materials and providing for their extension through existing health, education and agriculture cadre found throughout the country. This will include awareness programs in refugee camps in Pakistan.

Another priority will be strengthening systems that ensure the provision of transportation, shelter, and sustenance. The U.S. Government should stand ready to provide guidance based upon A.I.D. experience plus some additional commodity and technical support for these activities, but the overall coordination role and the basic funding responsibility rests with the U.N.. To the extent funds allow, food, shelter and livestock as well as other critical commodities can be provided in conjunction with or as a complement to the UNHCR program. This will not be done at the expense of existing programs nor will it result in brimming warehouses. A.I.D. will simply help fill critical commodity gaps that the U.N. family cannot easily or quickly meet.

To date, the U.S. Government has responded to the appeal of the U.N. Special Coordinator with a \$17 million contribution of PL 480 Title II wheat. The level and nature of future contributions will take a number of variables into consideration such as the rate at which the U.N. is able to establish viable and politically acceptable programs (to the Afghans and the GOP) and the degree to which these are in accord with U.S. policy objectives. It is U.S.G. policy to continue the bilateral program consistent with Administration and Congressional desires while strongly supporting UN initiatives that are supportive of U.S. objectives. We are already using the wide experience gained from the bilateral program to influence the form and content of U.N. planning, and specific steps have been proposed to Washington to interest potential bilateral donors in A.I.D. supported activities. This would be done through a lobbying effort in interested capitals and through their embassies in Islamabad.

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While the U.S. Government fully supports the multilateral effort, for the near term it is in the political and humanitarian interests of our Afghan allies and the combined resettlement and reconstruction effort to continue supporting the bilateral program. The U.S.G. supports the only bilateral effort which has successfully helped the Afghans to establish widespread mechanisms for delivering goods and services inside Afghanistan. It will take some time for

OK?

the U.N. agencies and other bilateral donors to get their programs started. More time will elapse before they can begin to match the U.S. effort. Moreover, A.I.D. is nurturing institutions that could eventually become essential to the viability of a new, legitimate Afghan government(s) as well as the primary recipients of U.N. assistance. No other friendly donor organization is yet attempting or is known to be contemplating institution-building, although A.I.D. will be encouraging the U.N. to do so.

A.I.D. will continue to meet the challenges of the coming months by adapting its existing projects to meet evolving needs and by maintaining programmatic flexibility to respond quickly and appropriately to rapidly changing situations. The primary focus *should be commitment*
will be to help ensure that conditions inside Afghanistan are such
that the existing and returning populations are able to sustain
themselves without the necessity to become refugees again and to
begin the reconstruction of their country. *77*
The GOP would not *cont before*
welcome and the donor community would be reluctant to finance a *the hand*
reflow of refugees, this time for economic reasons. To emphasize,
the bilateral program is in place and is serving as a highly useful
model for international planning efforts. Moreover, A.I.D.'s easy
access to the resistance and involved GOP authorities are also
playing a critical role in influencing planning by all parties,

especially the U.N.. (Preliminary U.N. planning efforts are described in Annex D.)

In recognition of the changing nature of the Afghan situation, A.I.D. must seek to expand its original objectives, keeping in close touch with the aspirations of the Afghans: (Annex D summarizes a recent World Food Program survey of refugees which places the A.I.D. strategy in close harmony with their aspirations). Over the coming months, the Mission will complete its efforts to:

- assess, redesign and seek authorization to modify and expand the major elements of the current program, adding new beneficiaries in Afghanistan; *resettle #1*
- add new elements, e.g., mine awareness and a broader agricultural program in support of the changing circumstances using both existing and new elements in conjunction with acceptable U.N. programs; and,
- begin contingency feasibility work on projects which will be needed early in resettlement and reconstruction, e.g., budgetary support mechanisms, rehabilitation of existing irrigation schemes and other critical public works, keeping

in mind the need to decide which projects would be most suitable for a Kabul-based U.S. program.

These efforts should result in:

- alleviating the suffering of Afghans in free and newly liberated regions of Afghanistan (as it is neither politically desirable nor in the humanitarian interests of the Afghans to terminate assistance to current beneficiaries);
- helping returnees and displaced Afghans to become productive members of their society (the existing Health, Education, Agriculture, PVO Co-Financing, Rural Assistance and a new CARE PL 480 effort will be our main instruments);
- assisting the U.N. in the safe return of refugees and displaced persons to their home regions (the existing Commodity Export Project and PL 480 will be our principal vehicles);
- assisting the U.N. program to get started by means of advice, example and use of U.S. programs as pilot projects; and,

- through the entire program, strengthening the capabilities of Afghan institutions to deliver goods and services to war-affected people so that Afghans themselves will be increasingly able to guide and implement resettlement and reconstruction activities, without becoming totally dependent on a large multilateral donor effort.

During the resettlement and reconstruction period, activities in all sectors of current A.I.D. involvement will continue but the immediate priorities will be food security and reconstruction of the agricultural sector. Food distribution will initially be accomplished through A.I.D. financed programs such as the Rural Assistance, PL 480 and Commodity Export Projects. CARE, with the support of a small planning grant, is designing the next stage in the food aid effort -- a pilot food for work program which will help employ returning refugees and displaced persons while they are reestablishing their farms and other productive village endeavors. This program eventually will supplant the emergency relief Title II program, and should serve as a model for the multinational efforts now in a much earlier stage of planning.

The current food and agricultural strategy includes four components. For the nearby food deficit provinces, A.I.D. has

sought to provide bulk wheat through the Title II program. For more distant provinces, but still within a reasonable logistical reach, a compact food pack has been developed which feeds four adults for one week. For distant provinces where resupply is difficult or impossible, "cash-for-food" has been used as a means of pulling food and other resources into resistance-controlled communities. Finally, agricultural development activities, especially irrigation, have been undertaken in areas where appealing agricultural production opportunities have presented themselves. A.I.D. needs to continue and expand these four components using increasingly why?? available civilian administrative mechanisms, e.g., shuras, but in an ever-changing program mix suited to evolving circumstances.

The repair of rural infrastructure will be financed through the Agriculture Sector Support Project, which after assessment and redesign later this year could add new elements, e.g., credit, fertilizer, seed, afforestation/reforestation, increased bullock supply and veterinary services. The redesign of the Agriculture Sector Project will suggest mechanisms to sell some commodities through the private sector, thereby creating counterpart funds that might be used for financing other agricultural activities. This will help reduce the local cost burdens to A.I.D. As opportunities arise, A.I.D. will also seek ways to use our agricultural

interventions to address the narcotics question, e.g., crop substitution.

Assessments and redesigns have also been completed or scheduled for the Commodity Export, Health and Education Sector Support Projects. For the CEP, three new components have been proposed (transportation, mine awareness training, and studies). The transportation component focusses on the enormous logistical problems associated with returning the refugees over a road and bridge system that has been destroyed or neglected throughout the war. A.I.D. involvement in mine awareness in cooperation with the GOP and the U.N. will permit an early response to this critical constraint to the safe return of refugees. The studies component will provide valuable information to A.I.D. and other donors in order to make informed decisions concerning on-going and possible new areas of assistance. (The studies component has already been approved and a request for proposal (RFP) will soon be released.) The start-up of the transportation component awaits completion of an RFP and its review in Washington, although a pilot activity is already underway.

Resettlement
(1) mine
(2) road
& bridge
(3)

The Health Project redesign represents an expansion of the delivery of basic rural health services throughout Afghanistan with a focus

on the placement of improved services in regions of greatest need, plus varying their content to meet the specific requirements of each area (e.g., maternal and child health services where there are large concentrations of women and children). A.I.D. will also seek to introduce fee-for-service systems in order to alleviate recurrent cost burdens and add mine awareness to the basic health workers' training curricula.

For the Education Project, A.I.D. sees an expansion of support to primary education inside Afghanistan, the development of curricula and textbooks for secondary schools, the improvement and expansion of the literacy program to include mine awareness training, and the establishment of an Afghan Management Training Institute which has already been designed but for which funds have been lacking. A strong continuing objective of all education activities will be training (theory and on-the-job) for Afghans to manage resettlement and reconstruction programs. The project will also seek to have the elementary level educational materials already developed and in use in Afghanistan accepted and placed in the refugee camps in Pakistan and, in time, by a new Kabul government. This would help standardize educational materials for a majority of Afghan children attending elementary schools.

A.I.D. has been working through institutions established under Alliance auspices to implement education and health activities and has involved the Alliance in the implementation of agriculture and rural works. A.I.D. has also established direct relationships with selected regional commanders with the knowledge of the governing Alliance Committees. During both resettlement and reconstruction, the preference will be to work through the Alliance or its successor(s) so as to avoid contributing to the political fragmentation of Afghanistan. A.I.D. will maintain the flexibility to work under Alliance auspices directly or with regional or local authorities which often are dominated by commanders. Broader local arrangements such as shuras (local administrative councils) are forming in several liberated areas dominated by commanders and offer increasing opportunities for donor involvement. In working with local and regional authorities, the long-term objective will be to strengthen regional-central relationships while developing their management capabilities to provide humanitarian assistance.

A.I.D. will continue to support PVOs during resettlement and reconstruction. When the restriction on the travel of U.S. citizens is lifted, it is likely that A.I.D. will want to further shift its resources from European to U.S. PVOs. European governments are

being encouraged to increase their contributions to the PVOs of their respective countries, so that A.I.D. donations may decrease. Soft demarches to involved European Embassies in Islamabad and to their PVOs in Peshawar have already begun.

A.I.D. and other donors will have to recognize and, to the extent possible, address numerous constraints to the resettlement and reconstruction efforts. Among the more obvious are:

- the sheer magnitude and complexity of the task at hand;
- the limited absorptive capacity of the Afghan institutions and the PVOs to deliver goods and services, along with a growing Afghan desire to manage their own programs in their own way consistent with their war for national independence;
- uncertainties with respect to the timing; magnitude and political acceptability of U.N.-led programs and their compatibility with U.S. objectives;
- a shortage of trained Afghan manpower;
- the difficulty of mobility into and within Afghanistan;

- pockets of antipathy to any foreign presence; and,
- the inability of the resistance and an eventual successor government(s) to self-finance, in the near-term, even the most basic of government services.

The last constraint (lack of financial resources) is key to understanding the need for an institution-building approach for the A.I.D. strategy. Without a growing Afghan capacity to be self-governing, the country could easily fall prey to a dependency status that would only allow it to operate under the political, financial and bureaucratic constraints imposed by friendly donors or worse, the Soviet Union. This would be totally incompatible with the desire of the Afghan people to free themselves of external controls. No other bilateral governments and no PVOs are now involved in institution-building other than the U.S.G. and the Soviet Union.

U.S.
Policy

The Mission, as indicated above, is beginning to develop contingency plans, some of which may be needed within the time frame of this strategy. Perhaps the most important will be an activity to generate revenues for a free Government of Afghanistan. The

redesigns of the current projects highlight the need for the financing of local and recurrent costs, which are now being met through the sectoral projects. However, this responsibility must shift as rapidly as possible to Afghan authorities so that they, not A.I.D. and other potential donors, can make the necessary hard choices about resource allocations.

Over the coming months, the groundwork will be prepared for the design of potential budgetary support activities. A.I.D. needs, for example, to learn which specific imported commodities might be sold to generate local currencies. (Wheat and vegetable oil are obvious candidates for a Title II Section 206 sales program.) Fertilizer and other agricultural inputs could be important components of a commodity import program. What remains of the private sector will be explored for possible cooperative efforts. Other options will be considered both within and outside of the project redesigns.

IV. Resources Management

The Administration proposed \$45 million for the FY 1989 A.I.D. budget. Influential members of Congress have proposed \$90 million. (Preliminary allocations against these two figures are found at Annex C.) It is anticipated that the "McCollum Amendment" will

continue at historical levels and that the Title II program may grow commensurate with the liberation of new areas, the return of the refugees and the ability of CARE to design and implement imaginative cash and food-for-work programs, possibly in cooperation with the World Food Program.

To accommodate a possible fluid funding situation in this and subsequent fiscal years, as well as a host of unknowns respecting U.N. efforts, existing and new projects are being redesigned to permit pre-planned expansion. "Flexible budgets" will support varying levels of activity, even though there are important areas (e.g. health and education) where recurrent costs for health facilities, schools and supporting personnel put fetters on the flexible budget concept. Again, it cannot be anticipated that the resistance or a new Kabul government will be in a position to finance even its most basic services any time soon.

There are important staffing implications for the transitional strategy: the program is becoming increasingly complex from every standpoint and requires cautious, careful management; probable higher resource levels will increase oversight requirements; and, there is a fair chance that the Mission may move to Kabul during the

latter period of the strategy. A.I.D. must begin planning for such a move and needs the recommended range of skills on the Mission staff in order to do so. (See Annex B for management recommendations.) The issue of accountability and monitoring must remain preminent considerations in A.I.D.'s decisions. The Mission cannot responsibly manage an increasingly intricate portfolio (from political and programmatic standpoints), without the ability to plan for and adequately monitor and account for the resources furnished by Congress.

A.I.D. anticipates a phased and gradual devolution of GOP participation in program planning and implementation. GOP participation may continue in some form for as long as programs are staged from Pakistan and, possibly, until a legitimate and functioning Afghan government is in place.

The Mission is taking preliminary steps that will give the program the independence it needs to move to Kabul. For example, if CARE planning efforts are successful, A.I.D. should be able to phase-out the existing PL 480 program from direct GOP oversight and gradually phase-in a CARE effort. Also, the Alliance technical committees have the independence necessary to allow them to move into Afghanistan with or without Alliance blessings or continued

oversight by the GOP. Our efforts to strengthen them should serve the need to gradually move away from GOP participation. The cross-border nature of the program will continue until such time as security and political considerations permit the relocation of the A.I.D. mission in Afghanistan.

PROGRAM DESCRIPTION

A.I.D.'s support for the Afghan program has grown from \$8 million in FY 1985 to \$76 million in FY 1988. Following is a description of the projects and activities supported under the program. This information was previously provided to Washington with the recommendation that it be used to interest multilateral and bilateral donors in these A.I.D. supported efforts.

EDUCATION SECTOR SUPPORT PROJECT

The Education Sector Support Project is supported under the auspices of the Alliance Education Council and is implemented by the Council's operational arm, the Education Center for Afghanistan. Technical assistance is provided by the University of Nebraska at Omaha (UNO). The Council consists of representatives from 6 of the 7 Alliance parties and has responsibility for setting education policy and overseeing the activities of the Education Center. The Education Center is responsible for the detailed planning and implementation of education programs, within the policy guidelines set by the Council. The Center is led by a President, who rotates every three months, and by a fixed Vice President who serves concurrently as the Director of Administration. It has 54 full time Afghan staff members (37 of whom are professional) divided among seven divisions: Curriculum Development, Academics and Supervision, Teacher Training, Literacy, Administration, Finance, and finally, Planning and Foreign Relations.

In its short life, the Education Center, through its 7 divisions and with assistance from UNO, has accomplished much. For its primary education program, it has developed and published textbooks and instructional aids in both Dari and Pushto for grades one through six. Approximately 360,000 textbooks have been printed. The textbooks and instructional aids for grades one through three have been distributed to 1,329 schools, reaching all provinces and nearly all districts of Afghanistan.

Recently, the Education Center completed the training and deployment of 113 District Directors of Education. The District Directors are responsible for training and supervising primary school teachers and for performing the administrative and record-keeping tasks for the 3 to 20 schools in their respective districts. The Education Center goal is to have 199 District Directors, 132 supplied out of Peshawar and 78 out of Quetta. The installation of the District Directors represents the beginning of an integrated primary school education network in Afghanistan and should be considered a major achievement. Ultimately, the Education Center hopes to expand the Directors' responsibilities to include the distribution of textbooks, instructional aids, and salaries (currently this is accomplished primarily through commanders).

To monitor its program of primary schools, the Education Center has established a three level monitoring system. At the first level, teams composed of three trained monitors (one from the Academics and Supervision Division of the Center and two from different political parties) visit primary schools in provinces to verify school existence, to confirm the arrival of textbooks, supplies and salaries, and to gather information for the Center's database. At the second level, one monitor visits schools unannounced to further verify existence and to check the veracity of level one monitoring. Unlike the level one monitors, level two monitors are employed by UNO and are senior educators either from or familiar with the monitored province. At the third level, European expatriates entering Afghanistan are asked to verify schools and collect whatever data possible.

In October 1987, ten level one monitoring teams were sent in to confirm the existence of the originally supplied 643 schools. By the end of January 1988, all the teams had returned safely to report the existence of 307 of the schools. (This figure would be higher but a number of schools were beyond the reach of monitors owing to security, weather, and geographical constraints.) Currently 14 level one teams and 22 level two individuals are inside.

In addition to its primary education program, the Education Center has developed and run a successful literacy program for mujahideen. In the winter

of 1987, approximately 8,000 mujahideen received literacy training in camps in Pakistan. This past winter (January through April 1988), 11,860 Mujahideen participated in the program. At the end of the four-month program, it was estimated that more than 70 percent of the students could read and write at the third grade level. To conduct the literacy program, the Center prepared a textbook and trained 598 literacy teachers. So far, classes have been conducted only in and near Peshawar. Funding constraints and the short southern winter have discouraged classes in Quetta.

The long range plans of the Education Center are to continue supporting and expanding its primary school system inside Afghanistan, to begin the development of curricula and textbooks for secondary schools, to improve and expand the literacy program, and to establish an Afghan Management Training Institute. The institute concept (the basic design has already been prepared) has high potential for other donor involvement. The Center is also seeking funds to supply textbooks and instructional materials to refugee camp schools in order to standardize Afghan curricula, to develop a more comprehensive teacher training program, and to facilitate continuity in the reconstruction of education in free Afghanistan.

A component of the Education Sector Support Project in which the Education Council and Committee are only minimally involved is the Afghan Scholarship

Program. As of February 1988, 21 students had been sent to the University of Nebraska for one year of training. The selection of another 21 candidates was completed in August. There is great room for expansion of advanced technical training for Afghans abroad, a situation which invites immediate other donor participation in an existing and proven administrative set-up.

HEALTH SECTOR SUPPORT PROJECT

The Health Sector Support Project is supported under the auspices of the High Council of the Alliance Health Committee and implemented by the High Council's operational arm, the Alliance Health Committee (AHC). Technical assistance is provided under a cooperative agreement with Management Sciences for Health, a U.S. firm. Originally, only four parties were represented on the High Council and participated in project activities. Just recently, a fifth party began active participation.

The High Council of the Health Committee is responsible for determining health policy and for overseeing the activities of the AHC operational divisions. The High Council is advised on technical matters by the medical sub-committee, which consists of the Director of the National Islamic Front Hospital and the Directors of the AHC Operational Divisions for Training, Curriculum Development (which is within the training division), Preventive Health, and Medical Services. Four of the five members of the Medical Sub-committee are

doctors. The Sub-committee, like the High Council, meets one or two times per week. The Sub-committee is highly motivated, technically and administratively competent and, for the most part, technically rather than politically driven.

The AHC has six operational divisions with 29 professional staff members in place. The Training Center, Medical Services, Supply, Preventive Medicine, Monitoring, and Administration and Finance. Preventive Medicine is one of the newest divisions and already one of the strongest. It has organized a pilot immunization program which will eventually expand to a full scale campaign in conjunction with area health development plans. It is planning to develop tuberculosis control, malaria control, and maternal/child health care programs in the future.

The Health Training Center is an impressive institution in the Afghan context and has considerable unmet potential. Consideration is now being given to supporting a regional training center inside Afghanistan which would draw on the center in Peshawar for guidance and development of materials.

The AHC divisions provide goods and services for activities sponsored under the auspices of the Alliance. Over the past year, the divisions have also begun providing goods and services for the health activities set up under the civil administrations of selected regional commanders.

To date, the AHC has prepared training materials for and supervised four training sessions for basic health workers (BHWs). BHW sessions are for three months and include classes in anatomy, pharmacology, first aid, nursing, maternal/child health care, common clinical problems, and sanitation and cleanliness. At each session (except for the smaller first session), 240 BHWs were trained in groups of 60 at the training facilities of the four participating parties. (The per session number of trainees will increase to a total of 300 with the addition of the fifth party.) Since program inception, 810 BHWs have completed the course and passed the certifying examination. Of the 810 BHWs, 102 were recruited from provinces which look to Quetta for assistance. Approximately 475 BHWs have been supplied and deployed throughout the 29 provinces of Afghanistan. Another 100 BHWs are preparing to go inside soon and an additional 240 BHWs have just graduated, and will be supplied and deployed shortly.

The AHC has supervised the training of 2,500 to 3,000 Mujahideen in buddy care (basic first aid). Like the BHW classes, the buddy care classes are held at party training facilities. Each facility has two physicians, four nurses, a teaching clinic physician, a teaching clinic nurse, an assistant nurse, two first aid trainers, and an administrative assistant. The staff at these party facilities are not part of the AHC professional staff but work closely with them.

The Medical Services Division of the AHC is well along in developing plans for area health development through a hierarchical medical pyramid, with clear lines of communication and support between health facilities of increasing levels of services and expertise. BHW posts are at the base of the pyramid. A referral network of clinics, district hospitals, and provincial hospitals is being established further up the line to provide basic services to the civilian population in non-conflict areas. At this point, the AHC supports 54 clinics with supplies and salaries with another 45 clinics planned for start-up by September. These clinics are sometimes staffed with a doctor and always staffed with at least one nurse or paramedic. By September 1988, the AHC should be supporting seven and possibly eight rudimentary district hospitals (three to four set up by the AHC and four set up by regional commanders) and one provincial hospital. To staff the existing AHC medical network inside Afghanistan, 120 paramedics, 40 nurses, and 29 doctors are employed. Refresher courses for these professional and para-professional staff are currently being designed by the AHC.

In the future, A.I.D. intends to support an expansion of the medical pyramid described above and the addition of AHC divisions for operations research, health information, and management information systems.

Each of the existing 475 basic health worker posts and 54 clinics is supplied with appropriate medicines and equipment by the AHC. To date, 208 of the BHW posts and 18 of the clinics have required resupply transactions. Since project inception, some 150 tons of medical supplies have been sent inside to 655 locations in 400 different consignments.

As previously mentioned, a pilot immunization effort organized by the AHC, with UNICEF as a partner providing vaccines and a French PVO, Avicenne, helping with the training. The 20 certified vaccinators will leave Peshawar shortly in groups of four to six, with two members of each team responsible for cold chain maintenance. The teams have four target areas, each containing 2,000-3,000 children who will receive BCG, DPTP, and measles immunization. Women of child bearing age will be offered tetanus toxoid vaccines.

The Monitoring Division of the AHC evaluates the quality of medical services being provided by AHC-financed programs. Actual verification of supplies and personnel is done by MSH. MSH-employed monitors ride with 90 percent of the caravans that carry supplies from 9 warehouses in Peshawar to the party warehouses which are located at the 14 major points of entry into Afghanistan. To monitor the distribution of supplies at the warehouses and the departure of BHWs and supplies, MSH has placed 2-5 monitors for at least 30 percent of the caravans carrying AHC supplies inside. Finally, MSH employs monitors to verify the existence of staff and supplies. Monitors visited 7 provinces from December 1987 to early June 1988. Of the 158 BHWs scheduled

for survey, 65 were on the job, 64 were not, and 29 were beyond reach, mostly because of snow. Of the 11 clinics surveyed, 9 were in operation, 1 was not, and 1 was beyond reach.

THE AGRICULTURE SECTOR SUPPORT PROJECT

The Agriculture Sector Support Project is the youngest of the three sector support projects, having commenced implementation in April, 1987. The project has taken an implementation approach different from the Education and Health Projects in that there is no participating Alliance Committee. Instead, the project has, to the extent possible, recreated the Rural Development Department of the pre-1978 Government of Afghanistan (located in the Prime Ministry) and grafted on certain agricultural development responsibilities. Relationships with the Alliance have been maintained by placing qualified representatives from each of the seven parties in senior positions of the Rural Development Office and releasing the representatives one day a week to do party work. Technical assistance is provided by a U.S. PVO, Volunteers in Technical Assistance, under a contract with A.I.D.

The Director of the Rural Development Office is the former President of the Rural Development Department. The office has a staff of almost 100 Afghan engineering and agricultural equipment technicians, the majority of whom are

stationed in 10 provinces of Afghanistan. Activities are taking place in 16 provinces.) There are five divisions within the office: Planning, which sets priorities and reviews proposals to determine engineering feasibility; Technical Affairs, which surveys, designs, and estimates the cost of activities; Field Operations, which administers and supervises on-site implementation; Administration, which handles local procurement, maintains personnel records, and performs other administrative tasks; and a new division, Area Development, which currently provides threshers, tractors, and equipment technicians to selected areas with functioning shuras (local councils).

The response to the Rural Development Office has been overwhelming. As of mid-May, 1988, requests had been received for the repair or reconstruction of 12,472 karezes (underground irrigation canals). As of that same date, 601 requests had been sanctioned, 422 kareze sites had been surveyed and designs completed, and 231 karezes were under repair. By mid-July, 63 karezes had been completed, as had the construction of one cable bridge, one reservoir, one irrigation diversion, and one road of 43 kilometers. Most of this work was accomplished by local labor under the supervision of Rural Development Office technicians. Area development activities are in place at eight sites, beginning at two sites, and in planning for four sites. These activities usually begin with kareze repair and expand to provide tractors and threshers

for community use as well as technicians to man and supervise the use of the equipment. To date, 30 tractor operators and 15 thresher operators have been trained. Fifteen tractors have been procured, seven of which are already inside Afghanistan at work.

The Agriculture Sector Support Project is implementing several activities outside of the Rural Assistance Office. It finances the development of agricultural extension programs for radio broadcast over VOA and supports a small nursery. A former Afghan Minister of Agriculture in the project's employ drafts agricultural policy papers and promotes public education and discussion on issues of concern to the Agriculture Sector. The project also subsidizes the sale of farm equipment on a selective basis in Afghan markets. By subsidizing equipment through the commercial sector rather than distributing equipment through commanders or other channels, the contractor avoids logistical headaches as well as problems related to deciding which individuals should receive free equipment.

Five monitors are employed to confirm that equipment subsidies are in fact passed on to Afghan consumers. The Rural Development Office also employs 5 monitors to confirm reports of work completed or in process. The office does not require additional monitors because of its fairly elaborate scheme for independent technical inspection.

In the future, an expansion of rural development activities is likely, especially in view of the upcoming repatriation and the recognized importance of agriculture to the economy of Afghanistan. The Rural Development Office plans to establish regional offices inside Afghanistan with a staff of one senior and one junior engineering technician, one to three agricultural machinery technicians, one agricultural extension agent, and one administrative assistant. Senior project managers are also exploring the possibilities for providing fertilizer, credit, afforestation/reforestation and veterinary services.

COMMODITY EXPORT PROGRAM

Unlike the sector support projects, the Commodity Export Program currently has no institutional development objectives. A contract was signed with the American Manufacturers' Export Group (AMEG) to undertake local and offshore commodity procurement; to arrange for and supervise transport of the commodities from the supplier to warehouses in Islamabad, Peshawar and Quetta; and to monitor the distribution of CEP commodities, excess non-lethal U.S. military materiel, and PL 480 Title II commodities to the seven parties and, to the extent possible, across the border. AMEG also developed and conducts a mule procurement and handler training program.

AMEG arrived in Pakistan in September 1986 and six months later it was fully operational. Since its arrival, it has procured over 450 vehicles (pick-ups, heavy duty trucks, tractors with cargo trollies and road blades, and road maintenance equipment); 70 rock drills; 49,000 pairs of boots; 23,000 blankets; 24,000 sets of shalwar kameezes; 128,000 one-day food packs (balanced meals for a family of four); 308,000 seven-day food packs (balanced meals for a family of four); over 700,000 kilograms of tea and sugar; and other goods that support the overall program. Approximately 70 percent of the commodities procured by AMEG are distributed in Peshawar and 30 percent distributed in Quetta. Commodities are issued from project warehouses everyday except Friday, with each party having one day and two parties sharing a day. To acquire the commodities, party representatives present AMEG with signed letters from party chiefs which indicate the commodities requested and the intended geographical destination inside Afghanistan. Upon receipt of the commodities, representatives sign for these, confirm their destination and are given forms detailing the commodities issued which they turn over to the parties.

AMEG has ten monitors based in Peshawar and two in Quetta. Of the ten Peshawar-based monitors, four spend a significant amount of time inside Afghanistan tracking AMEG-procured and DOD-donated commodities, and PL 480 wheat. The remaining six ride with the commodities being transferred to party

warehouses and conduct frequent surveys of border markets to ensure that A.I.D.-provided commodities are not flowing back from Afghanistan.

AMEG has also procured mules and set up a highly successful mule handling course. As of July 1988, AMEG had procured nearly 700 mules from the U.S. and 400 from Pakistan. Approximately 950 students from all seven parties have been trained. The mule handlers course lasts for ten days and includes 50 students from one party at a time. It teaches mule care and first aid, mule saddling and packing. Each graduating student is issued a numbered mule and, for monitoring purposes, a record is kept of the mule assigned to each student.

Afghans are also being trained in the operation of heavy road building equipment. The eight bulldozers and two road graders procured by AMEG are being used in the training course and will be sent into Afghanistan to build an initial set of roads/bridges which have already been surveyed and designed.

All on-going CEP activities, including the small road building activities, will continue. Future activities could feature an enlarged procurement and operation of road building equipment, vehicle and equipment maintenance, and repairing primary roads. In addition, a studies component will be undertaken which provides technical expertise in order to perform special studies, assessments and feasibility studies that are directly relevant to the repatriation and reconstruction of Afghanistan.

PVO PROJECTS

Since the beginning of its program, A.I.D. has financed European and American PVO activities in health, food aid, education, and agricultural production.

In FY 1986, grants were made to sixteen PVOs. Fifteen continuing activities received \$9.4 million in FY 1987.

A.I.D. is financing the PVOs through two projects: The PVO Co-Financing Project and the Rural Assistance Project. Selection criteria under PVO Co-financing are intentionally broad and flexible. Currently it is primarily financing health activities. In the future, this project could be used to co-finance training and self-employment opportunities for widows and orphans in conjunction with private employment generation.

The Rural Assistance Project (RAP) was designed to encourage PVOs who were distributing cash for food to move into activities that are more developmentally-oriented, and activities that are more specifically oriented towards increasing agricultural production. The project provides cash grants to families for survival in remote areas which are difficult to reach with commodities or other assistance; cash grants to families for emergencies created by military destruction or natural disasters; and, grants for vanguard resettlement activities.

RAP is administered by the International Rescue Committee, which reviews proposals and recommends approval or disapproval to A.I.D., monitors PVO activities financed under the project, and assists them in strengthening their administrative capacities. RAP offers a highly useful vehicle for other donors, especially for the British and French Governments, to increase their humanitarian assistance to Afghanistan. The Mission is encouraging European PVOs to look increasingly to their home governments for financial support.

FOOD ASSISTANCE

The Mission initiated its PL 480 Title II Food Program at the end of fiscal year 1986 when the U.S. Ambassador to Pakistan signed a transfer authorization with the Government of Pakistan (GOP) to provide 43,000 metric tons (MT) of wheat and 17,900 MT of edible vegetable oil. The wheat was earmarked for Afghan beneficiaries living in Afghanistan. The edible oil was monetized to help pay for transportation of the wheat to points inside.

In FY 1988, 60,000 MT of wheat have been provided along with a \$6 million grant for transportation, bringing the cumulative U.S. Government PL 480 contribution to the CBHA to 103,000 MT of wheat, 17,900 MT of edible oil, and a \$6 million transportation grant, for a total value of \$33 million.

With the Soviet troop withdrawal and the anticipated repatriation of millions of Afghans, it is obvious that a shift in food aid strategy is required.

Reconstruction needs inside Afghanistan argue for food/cash-for-work programs rather than the free food distribution program now in place. Moreover, it is likely that the amounts of wheat to be provided in the coming fiscal years will greatly exceed the levels of the past. Free food at these higher levels would distort market prices and create a situation in which local farmers would have no incentive to increase food production.

To design, manage, and monitor an expanded and developmentally complex food aid program, A.I.D. requires the services of an organization with a proven track record of successful food aid experience. It has selected CARE, the preeminent private agency in the field of operational logistics and commodity movement in emergency situations.

The Mission has negotiated a six-month grant to CARE to enable it to design all aspects of an A.I.D.-financed program which places heavy emphasis on cash and food-for-work activities, and establish and begin to staff an office which will have implementation responsibility for the activities designed by CARE and approved by A.I.D. The World Food Program and other donors may also want to take advantage of the CARE expertise and presence.

Finally, the Mission is beginning to study the budget support requirements of a free Afghan government. A Title II, Section 206, sales program together with a carefully targetted Commodity Import Program could generate critically needed resources for the new government.

The World Food Program and other donors may also want to take advantage of the CARE expertise and presence.

AFGHAN RELIEF PROGRAM

This program, which is funded from U.S. Department of Defense appropriations, was initiated in March, 1986 in order to provide transportation for humanitarian relief for war-affected Afghans. U.S. Air Force planes bring serviceable excess DOD materiel (clothing, tents, sleeping bags, rations), A.I.D.-funded commodities, and donated items (such as clothing and medical supplies) to Islamabad, usually twice a month. Wounded Afghans who cannot be treated in Pakistan are airlifted out on one returning cargo flight each month for pro-bono care (usually highly specialized) in the U.S. or one of 15 cooperating countries.

A share of the DOD funds are transferred to A.I.D. to enable the mission through contracts and grants to provide vehicles and pack animals to the

Afghan resistance for transportation into Afghanistan of the humanitarian commodities from all sources, and to screen war-wounded patients and arrange for their care abroad.

As of August 1, 1988, 56 US Air Force flights had been completed, carrying nearly 2,000 tons of materiel. Over 600 war-wounded Afghans, including women, children, and elderly men, have been carried to the U.S. and 15 other countries for specialized care, and 500 of them have completed treatment and returned.

Planning

In addition to the above projects and activities, the Mission is obtaining information and analyses to support future efforts directed at resettlement, reconstruction, and development. It is supporting a historical review of A.I.D.'s and other donors experience in Afghanistan as well as a mechanism to carry out studies and surveys which can provide the basis for future project development by A.I.D. and other donors.

With respect to the historical study, Devres, Inc. is preparing a "Retrospective Review of U.S. Assistance to Afghanistan: 1950-1979", under an A.I.D. contract. This review will provide the Mission with an historical

perspective of the U.S. Government's and other donors' roles in the context of all foreign assistance provided to Afghanistan. A reference library on Afghanistan will be a by-product of the review. Pre-war USAID/Afghanistan and other relevant documents will be provided to the Mission, plus an Afghanistan-specific information management handbook describing how to obtain more detailed materials, e.g., engineering designs, if and when needed. This study will provide insights and directions for the development of future A.I.D. and other donor projects.

The recently approved "Studies" component of the Commodity Export Program will finance feasibility studies and surveys to develop specific project ideas, or those identified by the retrospective study. These studies should be valuable to A.I.D. as well as other donors involved in Afghanistan. It is possible that the U.N. planning effort now underway may uncover ideas that will be of interest as well.

September 3, 1988

ACTION MEMORANDUM FOR: DAA/ANE, Thomas Reese

FROM: A.I.D. Representative, Larry Crandall

SUBJECT: Afghanistan -- Management Plan Update

REFERENCE: Memorandum Crandall/Chang-Bloch dated April 21, 1988

Summary

As a result of the anticipated expansion of the Afghan assistance program, we have reviewed and revised the Mission's Management Contingency Plan of April, 1988. This memorandum provides information on what the Mission has achieved to date and expects to accomplish over the balance of 1988. As a result of the expected increase in program resources and new program directions, it updates and revises US direct-hire needs for FY 1989 and, therefore, does not cover the entire 18-24 months of our Transitional Resettlement and Reconstruction Strategy. It does not deal with any additions or changes in USDH staffing which would be necessitated by a permanent move to Kabul. For FY 1989, it is requested that A.I.D./Washington authorize, establish, and recruit seven additional US direct hires for a total ceiling of 20. The ceiling of five FSN direct hires already authorized is currently adequate, but an increase would be necessary with the transfer of USAID/Afghanistan to Kabul. Our strong preference would be to hire Afghan professionals to meet some of our US direct-hire requirements (e.g., project officers, program economist). However, judging from our efforts to date to recruit such professionals, they will no doubt be unavailable to fill key positions over the period of the Transitional Strategy. Moreover, we cannot have non-Americans directly supervising our contract teams, nor dealing with some of the sensitive U.S. policies this program will face for the foreseeable future.

The Mission Management Assessment team recommended in its February, 1988 report that the current Office of the A.I.D. Representative be designated a full USAID. The importance, complexity, and size of the program argued for this action. We request that Washington approve this change in anticipation of Soviet compliance with the Geneva Accords. In addition to its other merits, such an action would represent a strong political statement by the

U.S. of the importance attached to support for a free Afghanistan (a draft memorandum recommending this change in designation is at Attachment II). The action would have to be undertaken with the understanding that it is a preliminary step to a permanent move to Kabul.

On the basis of a likely substantial increase in the program and the completion on schedule of the Soviet withdrawal, the Embassy endorses the proposals in this memorandum.

Discussion

The referenced Management Contingency Plan set forth several immediate and near-term requirements to respond to the increasing workload of the Office of the A.I.D. Representative and the expected expansion of the Afghan assistance program. This expansion is expected as the result of the Soviet withdrawal and the expected return of the largest group of refugees since World War II.

Much has been accomplished over the past four months.

- The expansion of our operations in Peshawar, including the establishment in June of a Regional Affairs Office/Afghanistan where US direct hires will work, the opening of an annex to accommodate US and FSN personal services contractors (PSC), the relocation to Peshawar of a USDH secretary, and the hiring of local support staff.

- The expansion of support capacity in Islamabad, including the leasing of an annex as office space for additional PSCs, and the hiring of two Assistant Project Officers under PSC arrangements as well as additional support staff.

- Approval of three additional USDH positions and the arrival of two of these -- an Agriculture Development Officer and Controller solely committed to the Afghan program. Also, we established and filled one additional US resident direct-hire secretarial slot. In addition, Washington has authorized a ceiling of five FSNDH which we believe is sufficient subject to the establishment of USAID/Afghanistan in Kabul. We are currently in the process of establishing and recruiting for two of these FSNDH positions which will be seconded temporarily to the Embassy. Further details of our current and projected staffing over the near term are contained in Attachment I.

Although much has been accomplished, there are important actions we plan before the end of 1988. These include:

- The relocation of a USDH to Peshawar as Regional Affairs Officer/Afghanistan. This officer has been spending about 50 percent of his time in Peshawar in an acting capacity. He will move permanently to Peshawar on October 9, 1988.

- The establishment of an annex in Islamabad which will be in full operation by September 22, 1988.

- The arrival of the third additional USDH (Program Officer) by December 31, 1988. We have requested TDY assistance to fill this vacancy on an interim basis.

- The recruitment of US PSCs (including spouses at post) to fill up to six professional positions and one additional support position, and up to six additional FSN/TCN PSC professional and support positions.

The referenced Plan also discussed near-term (first half of FY 1989) staff contingencies for six additional USDH positions should a larger program be authorized. In light of anticipated increases in program resources in FY 1989 and possibly beyond, we have reviewed our April proposal and have made revisions based on anticipated new program directions, e.g., an expansion of our agriculture portfolio and the possible initiation of mine awareness and education efforts. The four major contractors have also added US, TCN and FSN staff since January 1988, primarily in response to growing monitoring requirements. The American Manufacturers' Export Group has gone from 95 to 103; University of Nebraska at Omaha from 12 to 19; Volunteers in Technical Assistance from 53 to 70; and Management Sciences for Health from 51 to 113. We have given a grant to the Intergovernmental Committee on Migration to help us identify qualified Afghan technicians living abroad who may become available to work in our or other donor programs.

Our judgments of the minimum positions necessary to carry out an increase in workload associated with a significantly increased U.S. assistance program for Afghanistan follow in priority order:

1. Project Development Officer

Location: Initially Islamabad (located at Embassy)

Comment: Would be responsible for development of projects related to resettlement and reconstruction in light of increased A.I.D. funding, as well as redesign efforts required by changing conditions.

2. Supervisory General Development Officer

Location: Initially Islamabad (located at Embassy)

Comment: Would supervise Agriculture Development, Project and Food for Peace Officers. Would be the senior staff member responsible for technical input into and oversight of program/project portfolio.

3. Program Economist

Location: Initially Islamabad (located at Embassy)

Comment: Would be responsible for analyses related to Afghan economy, balance-of-payments, budgetary support, trade and commerce, the private sector, financial mechanisms and related institutions. He/she would also be responsible for economic analyses related to project design and evaluations.

4. Project Officer (Education)

Location: Initially Peshawar (located at Consulate)

Comment: Would assume responsibility for Education Sector Support Project with potential involvement in mine awareness efforts.

5. Food for Peace Officer

Location: Initially Islamabad (located temporarily with Refugee Program at Embassy).

Comment: The Food for Peace Officer for the Embassy's Refugee Program will be on-board by October, 1988. He will provide backstopping for our food aid program which now includes a CARE planning effort focused on cash and food-for-work. The need for this position in the Refugee Office will diminish as refugees return to Afghanistan. This officer would then be assigned to the Afghan Program, and would monitor U.S. food assistance during resettlement and thereafter.

6. Executive Officer

Location: Initially Islamabad (located at USAID Pakistan)

Comment: On the A.I.D. Representative's staffing pattern. Would be responsible for administrative and personnel matters related to the Afghan program, and those related to a move to Kabul.

7. Project Officer (Agriculture)

Location: Initially Peshawar (located at Consulate)

Comment: Would assist in design and implementation of an expanded agriculture portfolio.

The first four positions (Project Development Officer, Supervisory General Development Officer, Program Economist, and Education Project Officer) are needed now. The Food for Peace officer is essentially available. The Executive and Project Officer (Agriculture) positions should be authorized but await further developments before they are filled, i.e., a green light on moving the office for the former and a redesigned and approved agriculture portfolio for the latter.

In addition, we see the critical need for a USG employee or personal services contractor who would be available to the Mission to address mounting public relations and information demands. These have increased with the Soviet withdrawal and the loosening of GOP restraints on publicity of A.I.D.'s Afghan

program. We understand several other Missions with programs of high political content, e.g., Egypt, El Salvador, Honduras, have access to such support to help develop and carry out public relations and information strategies, and to liaise with media, and public and private sector representatives interested in such programs. Time permitting, this individual might also be called upon to assist in meeting the substantially increased need for general program coordination between A.I.D., the U.N., private voluntary organizations, and GOP entities involved in the resettlement effort.

In our earlier Plan, we had included a Legal Advisor in future staffing requirements to meet needs related principally to the reestablishment of a USAID/Afghanistan. This position has been deleted on the basis of the Regional Legal Advisor stationed in Islamabad being available to provide full support to our future requirements. Should such support prove not to be forthcoming, the establishment of a Legal Advisor for USAID/Afghanistan will be required.

Approved: _____

Disapproved: _____

Date: _____

Authorized USDH and FSN DH O/AID/REP Positions

<u>POSNO</u>	<u>NAME</u>	<u>POS TITLE</u>	<u>POST</u>	<u>POS GRD</u>	<u>TYPE FUND</u>	<u>ETA ETD</u>	<u>STATUS</u>
273969995	CRANDALL Larry	AID Rep	09	FEOC	DH OE	850901 890806	US
273060008	MILLER John M.	Deputy AID Rep	09	FEOC	DH OE	871109 890809	US
273060010	ZANELLA Patricia	Executive Secretary	09	FP06	DH OE	871009 891009	US
273060015	GUNNING John N.	Sup. Prog. Off.	09	F001	DH OE	860104 880503	US
273060018	CUSHING Henry B.	Program Officer	04	F002	DH OE	870311 890311	US
273060019	VACANT	Program Officer	09	F002	DH OE	880000 900000	US
273060012	DeBRUCE Raymond	Sup. Fin. Mgmt. Officer	09	F001	DH OE	880800 900700	US
273060009	LEWIS Gary	Agr. Dvl. Offcr.	04	F001	DH OE	800802 900802	US
273060020	EIGHMY Thomas	Spec. Proj. Off.	09	FS02	DH OE	880623 900623	US
273060025	MAHAN Val R.	Spec. Proj. Off.	09	F002	DH OE	860116 880615	US
273060027	MAY John	Contract Offcr.	09	FPL3	DH OE	800207 900207	US
273060030	WILSON Harriet	Secretary	09	FP06	DH OE	881801 891801	US
273060035	OLDHAM Kim Dung	Secretary	04	FS08	DH** OE	870215 890215	US
N/A	PETERSON Valerie	Secretary	09	FS07	DH** OE	870616 890600	US
N/A	VACANT	Admin. Asst.	04	FSN5	DH OE	880000 N/A	FSN
N/A	VACANT	Personnel Asst.	09	FSN7	DH OE	880000 N/A	FSN

* Does not include three additional FSN DH positions authorized by AID/Washington.

** Oldham/Peterson are Resident Direct-Hires.
8/28/88

ATTACHMENT I

Authorized PSC O/AID/REP Positions

SEGNO	NAME	POS TITLE	POST	POS GRD	TYPE FUND	ETA ETD	STATUS
5306	NEHODA Albert	Field Officer	04	N/A	PS PF	851214 900103	US
N/A	VACANT	Civil Engineer	04	N/A	PS PF	880000 900000	US
5315	PEARSON Patricia	Office Manager	09	N/A	PS OE	870316 890316	US
N/A	DEICHLER William	Asst. Proj. Ofcr. Afg. Hum. Relief	09	GS12	PS PF	880515 890515	US/ DEP
N/A	WALDHAUS Nancy	Asst. Proj. Ofcr. Health & Educ.	09	GS12	PS PF	880821 890821	US/ DEP
N/A	VACANT	Asst. Proj. Ofcr. Proc. & Logistics	09	GS12	PS PF	880000 890000	US/ DEP
N/A	VACANT	Asst. Proj. Ofcr. Agriculture	09	GS12	PS PF	880900 890900	US/ DEP
N/A	VACANT	Food for Peace Assistant	04	GS11	PS OE	880000 890000	US/ DEP
N/A	VACANT	Proj. Developmt. Analyst	09	N/A	PS OE	880000 890000	US/ DEP
N/A	VACANT	Monitoring & Data Collection Spec.	09/ 04	GS13	PS PF	880000 890000	US/ DEP
N/A	MIHALOVICH Elizabeth	Secretary	09	GS06	PS OE	880705 890705	US/ DEP
N/A	VACANT	Clerk/Typist	09	GS04	PS OE	880000 890000	US/ DEP
N/A	ONEIDA Marcella	Secretary	04	GS05	PS PF	880731 890731	US/ DEP
N/A	DICKHERBER Aida	Secretary	09	GS06	PS OE	880814 881214	US/ DEP
N/A	MALIK M. Din	Program Asst.	09	FSN9	PS PF	871206 881206	FSN

ATTACHMENT I

SEGNO	NAME	POS TITLE	POST	POS GRD	TYPE FUND	ETA ETD	STATUS
N/A	VACANT	Monitoring/Data Collectn.Asst.(2)	04	N/A	PS PF	880000 890000	FSN/ TCN
N/A	D'SILVA Greta	Secretary	09	FSN5	PS PF	880811 890811	FSN
N/A	YAQUB Muhammad	Secretary	09	FSN5	PS PF	880800 890800	FSN
N/A	VACANT	Secretary(2)	09	N/A	PS PF	880000 890000	FSN/ TCN
N/A	MUSTAQ Ahmed	Secretary	04	N/A	PS PF	880807 890807	FSN
N/A	VACANT	Secretary (2)	04	FSN5	PS PF	880000 890000	FSN/ TCN

8/24/88

DRAFT

Attachment II

ACTION MEMORANDUM FOR THE ADMINISTRATOR

THROUGH: AA/PPM, Mr. Robert Halligan

FROM: AA/ANE, Julia Chang-Bloch

SUBJECT: Change of Overseas Organization Status - Office of A.I.D.
Representative to USAID Afghanistan

Problem: Per A.I.D. Handbook 17, Chapter 4, your approval is required to make the subject change.

Discussion: Mission is the designation used where the Agency's program is major, continuing, and usually involves multiple types of aid in several sectors. Office is used where A.I.D.'s program is moderate, declining, or has limited development objectives. The Afghan program easily meets the Mission designation and more, and given recent political events, we believe the O/AID/Rep should be converted to full Mission status. The following benefits would accrue from this action:

- This would reaffirm the importance the U.S. Government places on its humanitarian support for the Afghans, and would be well received by Congressional supporters, the Government of Pakistan, and the resistance.

- Other governments, now uncertain about assisting the Afghans on a bilateral or multilateral basis, would perceive the creation of a Mission as a sign of the USG's strong commitment to the Afghans and would be motivated to provide either bilateral or multilateral assistance which, in most cases, has been minimal during the war.
- It would serve to further stimulate international donor agency interest in supporting resettlement and reconstruction activities.
- A Mission would also have the potential for attracting the best talent in the Agency to add to the current staff in order to operate a large and politically important program.

The reasons involved in making the request include not only the important development setting for the program, but also its critical importance to U.S. foreign policy objectives, growing program complexity and size.

Firstly, the setting. The Office of the A.I.D. Representative managed a \$76 million program in FY 88 which included DA and ESF funded activities, PL 480 and Department of Defense funded activities. Ongoing DA/ESF projects cover a range of sectors including health, education and agriculture. FY 1988 obligations directly controlled by the A.I.D.

Representative are estimated at \$61 million, with a life of project funding for the portfolio now conservatively estimated at over \$190 million.

Secondly, the program reflects substance, policy, and USG political considerations equal to all but the largest A.I.D. programs (e.g., Egypt, Pakistan, the Philippines, El Salvador). To carry out this large program, the A.I.D. Representative has the full range of delegated authorities applicable to a Mission of USAID Pakistan's size and, in addition, has been delegated exceptional authorities to exercise "notwithstanding any other provisions of law" responsibilities which are unique in the A.I.D. world.

The Office of the A.I.D. Representative is a critical element of U.S. foreign policy vis-a-vis Afghanistan and thus receives extraordinary Congressional and Administration attention as, for example, your own January 1988 visit to Pakistan. Congressional and staff delegation visits rival in number those handled by the USAIDs Philippines and Egypt. Because of monitoring and accountability concerns and given its unique cross-border character, the A.I.D. program for Afghanistan has received extraordinary attention and scrutiny from the GAO, the House Appropriations Committee S and I staff, OMB, the A.I.D. IG Office, numerous assessment and evaluation missions, and the A.I.D.

Representative's own non-federal auditor. We are pleased to say the Office of the A.I.D. Representative has handled these visits and reviews extremely well.

Thirdly, the importance, complexity and size of the program justify designating the Office a full USAID. This action was recommended by the Mission Management Assessment team in its February, 1988 report. That team's recommendations included, inter alia: the granting of full Mission status to the current Office; the grading of Director and Deputy Director accordingly; a substantial addition of staff; the expansion of space in Islamabad and Peshawar, and an expanded staff presence in Peshawar. The latter recommendation has already been implemented as well as a moderate increase in USDH Staff. The A.I.D. Representative is also responsible for program activities undertaken from Quetta. There is a small presence there as well.

The uniqueness of the Afghan program is evidenced by the stance taken towards it by the Government of Pakistan, its host. As you are aware from your discussions with the late President Zia, for domestic political reasons the GOP has discouraged the dissemination of public knowledge of the existence, size and complexity of the Afghanistan program and has preferred a low USG profile. Some loosening of the restrictions on local publicity of the humanitarian program has occurred since the signing of

the Geneva agreement. However, the previous situation and serious security concerns have limited the size of the A.I.D. staff which must plan, negotiate and implement the growingly complex program. It has, therefore, necessitated a unique relationship demanding the skillful management of relationships between Congress, contractors, PVOs, the Seven Party Afghan Resistance Alliance, our own as well as other Embassies, the Government of Pakistan and most recently a newly appointed special UN Coordinator for Afghanistan, Prince Sadruddin Aga Khan. There has been a gradual increase in the size of the A.I.D. Representative's staff which now totals thirteen USDH (including two resident-hire secretaries), four U.S. professional PSCs (the number will be expanded shortly), one FN professional, and three U.S. and three FN PSC support staff. This small staff must supervise 22 long-term U.S. and TCN contractor employees and their 377 local employees (plus hundreds of extension workers in Afghanistan directly financed by A.I.D.) as well as uncounted personnel associated with 14 PVO grants.

With respect to the size of A.I.D.'s current Afghan program, its FY 1988 and proposed FY 1989 levels put it within the largest 25 percent of all country and regional programs in the Agency. Further and in light of recent political events, there is the expectation that the program could significantly increase in FY 1989.

There is more than an adequate justification on the basis of the current program to designate the O/AID/Rep a Mission. However, with the signing of the agreement in Geneva, the Soviet withdrawal from Afghanistan, and the need for massive multilateral and bilateral support for resettlement and reconstruction, we expect the O/AID/Rep to be overwhelmed by planning, design and implementation of U.S. participation in these assistance activities. Thus, the justification is even stronger.

The A.I.D. Representative's current USDH positions are "transferable." That is, an individual may be initially assigned to Islamabad, but move to Peshawar or Kabul, depending on the circumstances. With the Soviet withdrawal, it may become necessary to modify the current prohibition on travel of U.S. citizen employees inside Afghanistan, with such travel only being undertaken when and where security conditions permit.

The types of programs we would expect to implement under a resettlement and reconstruction scenario have been the subject of discussions in which you have been involved.

Currently, full delegations of authority have been provided to the Office of the A.I.D. Representative. We propose no change to these other than the requested change in organization.

Should you approve this action, a revised staffing pattern, functional statement, and new and revised position descriptions would follow.

It is not expected that the FY 1989 Operating Expense budget would increase as a result of your approval of this action.

Recommendation: That you approve the change in the Office of the A.I.D. Representative for the Cross-Border Humanitarian Assistance program designating it USAID Afghanistan with concurrent title changes for the A.I.D. Representative and his Deputy to Mission Director and Deputy Mission Director, respectively.

Approved: _____

Disapproved: _____

Date: _____

Clearances: AID/PPC _____
AID/GC _____
STATE/NEA _____

PROPOSED BUDGET - FY 1989 AND FY 1990

The Afghanistan program matured in FY 1988. We expect our project portfolio will have expended about as much during FY 1988 as was spent in FY 1986 and FY 1987 combined. The impact of this growing program is a proven fact. The rapidly changing circumstances in Afghanistan make it even more politically important.

The FY 1989 Congressional Presentation requested \$45 million in A.I.D. funds for the Afghanistan Program. No request was included for PL 480. The Mission was informed that a tentative earmark would be made against the PL 480 reserve. The Agency Approved Planning Level (AAPL) for the FY 1990 Annual Budget Submission was \$100 million; no AAPL was provided for PL 480.

The attached table provides a \$45 million A.I.D. budget for FY 1989 and \$100 million for FY 1990 in conformance with the instructions discussed above. A contingency FY 1989 budget of \$90 million is also provided in view of a proposed earmark at that level in the Senate version of the FY 1989 Appropriations Bill.

The FY 1989 contingency budget reflects the assessments and redesigns of our core projects now underway. The Commodity Export Project amount is that shown in the recently authorized amendment. The Health Project budget is that proposed in the new redesign. The Education and Agriculture projects' budgets represent our best preliminary thinking in advance of the appraisals scheduled for this fall.

We believe the figures in the FY 1989 contingency budget are realistic and represent a reasonable response to the conditions described in the strategy. We will face hard decisions as to what projects and PVO grants must be cut back from their current levels if we receive a \$45 million budget.

There are pyramiding recurrent costs implications resulting from the initiation of civilian services by a Resistance which has no revenue sources of its own. This problem will worsen as a post-communist government emerges to try to restore a bankrupt economy. It is the need to finance operating costs which will cause stagnation or actual cutbacks in the program at the \$45 million funding level. This problem was well recognized in the formative stages of the program in early 1985.

The FY 1989 Contingency and FY 1990 budgets include an illustrative Afghan Rehabilitation Support Project since it is still too early to make specific proposals for activities which would be supportive of, and complementary to, the U.N.'s resettlement effort. In addition, an extremely high priority must be given to developing a budget support mechanism to generate local currency for the restoration of government services and to stimulate the private sector. Of course, this can only be done when there is an acceptable government requiring such support. We will give first priority to the needs of our own projects.

The DOD-funded Afghanistan Humanitarian Relief Project has been an integral part of the program since FY 1986, providing transportation and related services for donated commodities and the movement of patients for treatment of war-related injuries. The need for this activity is still great; we have projected its continuation at FY 1988 funding levels in the absence of contrary guidance from the Department of Defence.

Our FY 1990 Annual Budget Submission proposed three PL 480 Title II projects in FY 1989 and FY 1990. The first is the continuation of our Emergency Relief Program for War-affected Afghans. The need for this program is still urgent, but we

hope it will peak in FY 1989 and then decline as resettlement programs, both multilateral and bilateral, take its place. Second, CARE is designing a food-for-work program along with a related maternal-child health activity. We expect this will be one of the first programs in support of resettlement to be initiated in connection with the return of refugees to Afghanistan. Third, we anticipate the need for a Section 206 Sales Program in association with a commodity import program for other needed imports which can generate local currencies. This is one of the highest of our priorities when it can be achieved. Official PL 480 prices (STATE 283311, 8/30/88) have been used for agricultural commodities. Transportation figures use FY 1988 estimates.

PROPOSED AFGHANISTAN BUDGET - FY 1989 AND FY 1990

PROJECT NUMBER AND TITLE	FY 88	FY 89		FY 90
	OYB	CP LEVEL	CONTINGENCY	PROPOSED
AID FUNDED PROJECTS				
306-0200 TECH SERVICES & SUPPORT	1,356,274	1,500,000	1,500,000	1,500,000
306-0201 PVO CO-FINANCING	6,442,900	5,000,000	8,000,000	6,500,000
306-0202 EDUCATION SECTOR SUPPORT	6,347,000	8,000,000	12,000,000	12,000,000
306-0203 HEALTH SECTOR SUPPORT	7,200,000	9,000,000	16,000,000	19,000,000
306-0204 AGRI SECTOR SUPPORT	4,500,000	5,500,000	12,000,000	20,000,000
306-0205 COMMODITY EXPORT PROGRAM	16,200,000	10,000,000	19,000,000	19,000,000
306-0208 RURAL ASSISTANCE	3,000,000	5,000,000	8,000,000	5,000,000
306-0209 POLICY PLANNING	0	1,000,000	1,000,000	1,000,000
306-0210 AFGHAN REHABILITATION	0	0	12,500,000	16,000,000
TOTAL AID FUNDS:	45,046,174	45,000,000	90,000,000	100,000,000
DOD FUNDED PROJECT				
306-0206 AFG HUMANITARIAN RELIEF	2,800,000	2,800,000	2,800,000	2,800,000
DOD ADMINISTERED COSTS	7,200,000	7,200,000	7,200,000	7,200,000
TOTAL DOD FUNDS:	10,000,000	10,000,000	10,000,000	10,000,000
PL 480 TITLE II PROGRAM				
EMERGENCY FOOD RELIEF COMMODITIES	7,500,000	13,520,000	13,520,000	5,800,000
" " TRANSPORTATION GRANT	6,000,000	8,000,000	8,000,000	4,000,000
CARE FOOD FOR WORK/MCH	0	1,362,000	1,362,000	2,390,000
SECTION 206 SALES-GOA BUDGET SUPPT	0	4,225,000	4,225,000	8,700,000
OCEAN TRANSPORTATION	7,500,000	14,200,000	14,200,000	14,700,000
TOTAL PL 480 FUNDS:	21,000,000	41,307,000	41,307,000	35,590,000
GRAND TOTAL:	76,046,174	96,307,000	141,307,000	145,590,000

PL 480 COMMODITIES (METRIC TONS)

EMERGENCY WHEAT	60,000	80,000	80,000	40,000
CARE - WHEAT	0	8,059	8,059	16,480
VEGOIL	0	528	528	1,180
SECTION 206 - WHEAT	0	25,000	25,000	60,000
OR	0	OR	OR	OR
VEGOIL	0	4,758	4,758	10,046

PRELIMINARY U.N. PLANNING

The U.N. system began its efforts to assist in the repatriation of approximately 5 million Afghan refugees following the signing of the Geneva Accords and the brightened prospects for peace in Afghanistan. The U.N. Secretary General considered various options for managing this monumental task involving unprecedented combinations of specialized agency concerns. He decided that a "Coordinator for U.N. Humanitarian and Economic Assistance Programs for Afghanistan", rather than a "lead agency" was needed and the former U.N. High Commissioner for Refugees, Prince Sadruddin Aga Khan, was designated. The U.S. and other prospective major donors had urged this course of action. The Coordinator has travelled twice to Pakistan for introductory meetings, and has appointed his representative for Pakistan, Martin Barber, who plans to establish an office in Islamabad and have regular interaction with all involved parties.

There is not yet sufficient cohesion among all component U.N. agencies, although the beginnings of U.N. planning seem encouraging in some respects. The individual U.N. agencies have, in ranging degrees, tended to follow their specialized tracks to create ambitious "full-service" schemes focussing on

the mandate of the particular agency (i.e., WFP- feeding; WHO- health; UNICEF- immunization and maternal and child health; UNDP- general development; FAO- agriculture; UNHCR- resettlement with something of several other agencies' concerns). Closer coordination has been exhibited by those agencies (UNHCR, WFP, UNICEF) involved in the initial resettlement phase, with lesser cooperation by those organizations traditionally engaged in longer-term reconstruction activities. The Coordinator has yet to bring full discipline to the respective components individually and collectively, although efforts are underway to do so. The extensive list presented to the donors in May, 1988 was admittedly not a fully developed and coordinated set of plans, but rather a wide ranging compendium of U.N. agencies' ideas put before donors while their attention was on Afghanistan as the historic Soviet withdrawal commenced. However, the exercise was a useful effort to enlist the earliest and highest possible donor pledges to cover various contingencies should massive numbers of refugees have started returning home this past summer.

The international skepticism engendered by the first appeal has now obliged Prince Sadrudin to request the U.N. agencies

to prepare detailed, cost effective project proposals. He has concurrently sought to establish his "authority" over these U.N. agencies, and a position of "independence" vis-a-vis the Kabul regime, the GOP, and the Afghan Resistance. The U.N. agencies appear to want a fund-raising and program harmonization role for him rather than an operational one. So far, the donors have earmarked the bulk of their contributions to UNHCR, WFP, and UNICEF. These agencies will obviously be involved in the initial stages of the resettlement effort. At the same time, the Kabul regime wants U.N. activities to support its pretensions while the GOP and the Resistance Alliance can either facilitate or detract from the ability of the U.N. to perform its role. The Coordinator is well aware of the U.S. policy to avoid provision of assistance to the Kabul regime as well the roles which can be played by the GOP and Alliance. He and his representatives are moving towards the establishment of improved relations with both.

To date, the Coordinator has not had the staff support that could give him the comprehensive intellectual grasp of the range of realities involved -- a grasp that will be the sine qua non for imposing discipline on the planning and, eventually, implementation of all U.N. activities. His assistants are seconded from other agencies, and only recently

have stronger elements of professionalism and political sophistication vis-a-vis the political complexities of the war begun to appear. Meanwhile, unsuccessful initiatives have provoked bad feelings between the Coordinator, the Alliance, and the GOP (e.g., PVOs were organized with U.N. encouragement as the Agencies' Coordinating Body for Afghan Relief (ACBAR), and then asked to arrange a visit into Afghanistan without reference to the GOP and the its chosen political instrument, the Alliance). Considerable confusion and loss of momentum resulted from this ill fated initiative.

A promising effort, initially highlighted by the U.S. and now championed by the Coordinator, is mine awareness and removal. All agree that this is an important first step in creating conditions conducive to resettlement and reconstruction. Such a program would not naturally be a part of the portfolio of individual U.N. agencies and thus can be funded through and managed by the Coordinator with technical implementation by specialists from donor nations, the GOP, and the Afghans.

After the relatively cool reception given to the May U.N. appeal, and with a growing awareness of the political complexities they face, the various U.N. agencies, while not disowning the overall \$1.2 billion package, have recently focused on the near-term possibilities for assisting

resettlement without pulling or pushing the refugees. Details of this planning are not yet available, but broad-stroke pictures have recently emerged in discussions held in Islamabad by Prince Sadruddin and U.N. agencies' representatives with GOP, U.S., and other donor nations.

On August 17, 1988, the Coordinator told Embassy representatives from the major donor nations that he hopes to raise \$550 million by the end of 1988, of which \$96 million has already been pledged. Japan and the EEC are said to be considering pledges totalling \$350 million. The USSR has not yet pledged, nor has the U.S., except for a food donation to the WFP.

The U.N. plans to mount missions into Afghanistan from Pakistan and Iran, as well as move outside from Kabul, so that the October appeal to donors will have more "credibility." While the details of U.N. plans for which it will hold its October, 1988 donors conference are not yet clear, the essence will be the availability of food for the refugees as they return, and the encouragement of early agricultural self-sufficiency by switching to food for work after three months.

More developed plans for repatriation are reported by UNHCR and WFP. UNHCR is undertaking a major reorientation of its

relief program in Pakistan aimed at better preparing the refugees for their homeward trek. Emphasis is placed on training more health workers and providing skills in its income generation and vocational training sectors, which should be useful in Afghanistan. Regarding repatriation per se, UNHCR is increasing its expatriates and local monitors of refugee camps to gain early indications of refugee preparations for movement back to Afghanistan. Stockpiling of shelter materials and simple agricultural tools is underway, and acquisition of a truck fleet is planned. An internal debate about pre-positioning food and other survival supplies in Afghanistan revolves around whether they would attract movements into Afghanistan prematurely.

WFP is working with UNHCR on this issue. The two organizations have formed a joint logistics office (UNILOG) to facilitate their preparations. The scope and cost of the UNHCR and WFP repatriation endeavor are not yet clearly defined. There are indications that the package will cost over \$300 million.

The June, 1988 report by Dr. Richard English for UNCHR is informative about Afghan geography, ethnology, economy, politics, relief organizations and activities. It is not an

operational plan, but rather a useful portrait of likely needs of both returnees and the populations that have remained in Afghanistan. The report also provides a registry of the activities of organizations working in refugee camps and across the border. While not evaluating on-going or prescribing new assistance, the admirably realistic report is a significant marker in the U.N. progress towards concrete planning. It contains a reasonable level of detail and analysis given the short time in which the author produced it. The "Preliminary Report on Conditions Affecting the Repatriation of Afghan Refugees" should be a basic manual for other U.N. agencies with mandates for assistance to Afghanistan.

The constraints on assistance to Afghans and Afghanistan are fully recognized in the English Report, but the message, already learned by those involved in cross-border activities, has yet to be absorbed by some of the U.N. agencies contemplating their prospective roles. For example, WHO, which has in recent years operated in Kabul, has cast the cutline of a broader, countrywide program in a July, 1988 document that envisages the rehabilitation and/or establishment of basic health centers and sub-centers, and training the health providers. The immense problem of mobilizing Afghans to be trained for such activities is

lightly touched upon, and the document presents notional budgets for elements of the overall program totalling \$72.4 million for an 18-month relief/rehabilitation phase (out of an estimated \$283 million long-term cost). The services to be provided range over health needs never before met in Afghanistan, not simply those that disappeared or deteriorated in the past decade. How such assistance can be effected is expected to be developed when assessment missions enter Afghanistan--teams which will necessarily make only short visits to a few places.

UNICEF's assistance plans for immunization are already being implemented jointly with UNHCR in refugee camps, in RA controlled areas and, in association with the Alliance's Afghan Health Committee (AHC), in resistance controlled Afghanistan. After wrestling for over a year with the political dilemma presented by the reality that the Kabul regime, a U.N. member state, did not control the majority of the population requiring immunization, UNICEF chose to finesse the political issue and meet the problem directly in Afghanistan. A formula devised in New York and Islamabad has enabled UNICEF to move on all fronts--in the RA's diminishing areas of control, in refugee camps, and across the Pakistan-Afghanistan border by supplying the AHC's health teams and facilities.

A brief document by FAO sets out the requirements for restoring the agricultural sector of Afghanistan to achieve food self-sufficiency in the next three years, by which time most Afghan expatriates are expected to return. The document does not purport to be a plan, but only a "Conceptual Framework for Reestablishing Afghanistan's Food Base for Returning Refugees." It contains the lists and costs of resources to accomplish realistic goals that do not call for expertise beyond what Afghanistan has or will have as the former population of the rural areas return. Visions of modernizing agriculture and agro-business are wisely absent from the paper; but also absent are discussions of ways and means of procuring and making even modest inputs available to Afghans.

The World Food Program has conducted a useful survey in the Afghan refugee camps to obtain refugee views on their possible return and their assessment of the conditions that await their return. The survey was conducted in June and July, 1988, in ninety refugee camps and surveyed 1,556 refugees. WFP was not able to employ random sampling in selecting its respondents, but the results seem consistent with previous surveys and current thinking among relief officials. It should be noted that refugees tend to exaggerate their needs when being questioned by such officials.

Following are some highlights of the WFP survey:

Repatriation

- 87 percent of respondents said that, given the political and security conditions they require, they and their household members would return to Afghanistan as one unit (as opposed to sending advance parties).
- 100 percent said that they would return to their village of origin.

Reconstruction

- 92 percent said their land is in bad condition.
- 76 percent said their houses were completely destroyed.
- 72 percent said they were willing to work for food as wages.
- Given outside assistance, 48 percent said they would require one to two years to regain self-sufficiency, while 38 percent said they would need three to four years to do so.

The survey contains a list of types of assistance that refugees cite as priorities. In rank order they are: food; housing material; cash; plow and hand agricultural tools; seed; oxen; broad agricultural assistance; tractors, bulldozers; employment; irrigation; fertilizer; removal of mines; and tents.

A number of other activities are being contemplated by U.N. agencies but their relevancy to current conditions or in 24 months can only be assessed when the actual plans surface. The costs for what will be essential assistance activities are not firm yet, but they are expected to be high (including the value of donated food) over 24 months, with most of the needed amounts attributed to UNHCR and WFP; and, the remainder to FAO, WHO, and UNICEF. Donor resistance is almost certain to rise in response to appeals that are not well articulated.

We conclude that an energetic start has been made by the U.N. family, but that the agencies have a considerable distance to go before they are fully prepared to begin operating in the volatile environment of the border areas and interior of Afghanistan. The continuation of hostilities and the presence of mines have made massive, spontaneous repatriation unlikely in the fall of 1988 --when winter wheat must be planted. Plans can therefore be further developed and refined before implementation must take place.

Following are the contributions pledged to the Coordinator's program as of August 8, 1988:

<u>Amount (US \$)</u>		<u>Earmarks</u>	
Australia	\$ 16,000,000		
Austria	500,000	(3,000 MT Wheat)	
Canada	833,900		
Denmark	1,160,000		
Finland	1,000,000	UNHCR	717,000
		UNICEF	116,000
		WHO	116,000
France	16,600,000	UNHCR/UNICEF	1,130,000
		FRENCH PVOS	646,000
		ICRC	161,500
Italy	14,000,000	WFP	12,000,000
		Medical equipment	1,000,000
Netherlands	2,500,000		
Norway	1,000,000	UNHCR	750,000
Sweden	6,700,000		
Switzerland	1,400,000	UNHCR	350,000
		WFP	350,000
UK	18,000,000	UNHCR	12,150,000
		UNICEF	450,000
		ICRC	2,700,000
		UK/PVOS	2,700,000
USA	16,700,000	WFP food aid	
	<u>\$96,393,000</u>		

AFGHANISTAN RESETTLEMENT, RECONSTRUCTION AND DEVELOPMENT

I. OBJECTIVES

With Russian withdrawal from Afghanistan, a difficult, complicated process of resettlement, reconstruction, and development (RRD) begins and presents enormous challenges. The size of the refugee population (3 million in Pakistan, 2 million in Iran, plus perhaps 3 million internal displaced) means that withdrawal will trigger one of the largest human migrations since World War II. Reconstruction requirements will also be immense. Unquestionably, the international community through the UN system has the primary responsibility in this matter. The three stages of the process will not be discrete in terms of time or substance.

-- Once withdrawal is well underway refugees will begin their move homeward. They want to go and the host government will not stand in their way.

-- The pre-conflict feudal structure of Afghanistan will resurface, but will be subject to unpredictable evolutions.

-- The post-war efforts by individual nations should complement and provide strong support to what must be a multilateral-led resettlement and reconstruction effort.

-- Because interested donors must treat concurrently the interwoven problems of resettlement, reconstruction, and development in a highly complex and ever-changing political-military setting, their programs must encompass an all-weather strategy, one that allows the shifting of resources in response to rapidly evolving political events.

Assistance programs should have the following objectives:

-- Consolidation of the political gains the resistance has made through nine years of war. Resources should promote a transition to political and economic stability, a difficult and long-term endeavor.

-- Improvement of the political and administrative institutions the GOP and its allies have helped create - bolstering the authority of any acceptable national, regional, and local authorities who are able to make a transition to peacetime activities.

-- Encouragement of tolerance and support for Western political and economic values in the inevitable competition among Marxist and other interests.

-- Reversal of the "Sovietization" of the Afghan culture and economy by encouraging development of a viable private sector.

II. CURRENT POLITICAL AND ECONOMIC SETTING

Post-war Afghanistan will need massive assistance - financial, technical, and managerial - to survive and eventually perform the basic functions of government. Whatever structures evolve, they must be created of Afghan will and actions. Afghan administrative divisions could be based on current regional commands which already recognize major ethnolinguistic considerations, combined with river patterns, lines of communication, and former and current commercial trading patterns. A regionally differentiated approach which recognizes current and probably future political realities may be required. The basic task of the international donor community will be to administratively tap the new governing and social structures as they evolve.

Industry and Commerce: The nine years of Soviet occupation have severely disrupted what little commerce and industry existed in Afghanistan. Businessmen have died or fled, gone out of business, gone underground, or shifted their commercial operations to Pakistan. In the private productive sector, farmers, artisans, craftsmen, small-scale manufacturers, and assemblers have suffered. Commercial entities such as retailers, whole-salers, traders, transporters, and stockists have seen their means of livelihood damaged or destroyed. The Soviets made a major effort to tie Afghanistan to the USSR economically as well as politically while links to Pakistan and the West have been reduced. Open trade channels may be initiated as the country is freed from Soviet occupation, civil strife abates, and these areas come under the control of de facto resistance authorities, but the private economy will take years to recover. The return from Pakistan and elsewhere of skilled people and entrepreneurs should be encouraged.

Education: As a result of the war, the vast majority of young people have received no education at all. The little education and training that has occurred has been of marginal quality, conducted with limited human and material resources. In many cases (e.g., Faculty of Letters, Kabul University), untrained Marxist cadres have been appointed to faculty positions to teach political doctrine. Of 15 vocational secondary schools, only two in Kabul remain in operation. The Afghan Institute of Technology has been closed and its laboratories dismantled. In higher education, Kabul University barely functions today. The laboratories in engineering and agriculture have been stripped, and most of the trained staff have fled to the West. Medical education in Kabul and Nangahar has been abandoned in favor of a Russian curriculum in public health.

Health: Health care facilities before the Soviet invasion were minimal to non-existent throughout rural Afghanistan, and the war has destroyed much of what infrastructure there was. With repatriation of the refugees, massive new requirements for treatment and prevention of illness and for public sanitation will appear. Facilities will have to be built and training activities will have to be expanded geometrically.

Agriculture: Afghanistan was only beginning to approximate food self-sufficiency prior to the Soviet invasion and production has fallen greatly in the war years. The consequences of wartime devastation of fields and irrigation systems and shortages of seed and equipment have been worsened by problematic agro-climatic conditions. Afghanistan will have to import cereals and other food commodities as well as agricultural inputs in the next few years. Post-war food production levels will be far below those necessary to sustain the growing population created by the return of the internal and external refugees.

III. PLANNING AND ADMINISTRATIVE ASSUMPTIONS

Insofar as an evolving context can now be foreseen, it is necessary to base program planning on the following assumptions:

- RRD may require working through existing programs with commanders in control of their respective areas.
- Programs will have to be mounted from Pakistan for several months, possibly until there is a responsive and reliable Kabul government.
- The well defined practices and institutions donors want won't be available. Even if reactive at first, activities should be structured where possible so that they can eventually be incorporated into Kabul institutions.
- RRD will have to work within the framework of the U.N. peace monitoring practices arising from the Geneva accords.
- The existing humanitarian assistance programs should be expanded.
- Because resources will be limited compared to the scale of the problem, self-help should be emphasized in as many program components as possible.

Administrative Structures: In the first stages, international coordination through a specially appointed UN Coordinator is necessary since UN agencies will be the principle vehicles for initial resettlement efforts. A Resettlement and Reconstruction Conference of potential donors should be called to discuss RRD needs, strategies, pledges, and working modalities with emphasis on resettlement requirements with carryover value to reconstruction. The basic intent of the Conference would be to determine comparative donor advantages and initial pledging, a process which later could become more institutionalized through the formation of a consultative group.

The group would assume coordination responsibility on behalf of Kabul. It should include the major players which have supported the resistance from the beginning, e.g., Pakistan, the United States, the Arab States, China, Turkey, Egypt, key western European countries, Japan, and, potentially, Iran and PVO representatives. The Soviets will want to participate. Soviet participation in the CG will, of course have relevance to the form and substance of others' participation.

Creation of a standard donor consultative group under the auspices of the International Bank for Reconstruction and Development may be desirable but depends on the role the Soviets can or will play in reconstruction. (The USSR is not an IBRD member.) In any event an effective multilateral donor coordination mechanism is key to placing public responsibility on the international community.

Respecting Afghan institutions, in view of potential weakness of the central government and potential conflicts among various other parties, various assistance delivery modes that will benefit RRD may be necessary. For at least the resettlement phase, donor working attitudes will generally be of an emergency, or reactive nature, but it will be important to devise efforts so that at least some of them can eventually be incorporated into Kabul institutions. The Alliance has recently formed a Social Services Committee which has been given the task of planning and organizing resettlement and reconstruction programs. This Committee plans to establish provincial and woleswali-based entities (districts) to administer assistance. The Social Services Committee would be assisted by a Judicial Committee responsible for general law enforcement and providing security for donor caravans and activities.

Should it appear necessary to create an organization to act as a counterpart for donor flows, an autonomous reconstruction and development foundation, for example, could serve to attract back to their country exiled professional Afghans who do not wish to directly participate in post-war politics. It could also serve to

attract important, indigenous Islamic groups to the reconstruction and development process who might not wish to participate in government-supported efforts. A foundation could stimulate participation by other donors who might be unwilling to support a highly politicized central government or regional authorities.

The foundation could be capitalized by "forgiven" creditor nations' loan reflows, yearly pledging, and as many other donor contributions as possible.

IV. PHASING

The three phases of resettlement, reconstruction, and development will overlap. While resettlement has not yet started, current assistance projects have already started the reconstruction process. In the resettlement phase the UNHCR and other U.N. agencies should have the lead, with bilateral programs offering a helping hand especially through commodity and food delivery programs. By means of the existing technical committees and a transportation management unit, goods and services can be delivered via regional commanders through at least the resettlement and perhaps the reconstruction phases, depending on the formation, strength, and reliability of a Kabul government.

Programs will have the best prospect for success if they are structured for flexible response to emerging circumstances. Administrative practices must recognize that Afghan absorptive capacity issues will meet every decision at every turn.

A. Resettlement

The resettlement efforts of the international community must provide early assurances to the refugees that they will have a reliable and predictable situation to return to. Donor policies and programs should follow the refugees with resettlement programs, not lead them.

- A key element of improved policy formulation and expanded and improved project and program implementation in Afghanistan should be sought in the structure, management practices, and effectiveness of the existing resistance administrative machinery. A policy and planning entity is needed quickly which could serve as a source of technical expertise for the Alliance technical committees and guidance for resettlement and reconstruction activities. It would have to have a close relationship with the Social Services Committee.

- If assistance activities are to be successful, donors must improve the data base. One activity is being strengthened to provide a wide

variety of data. The Agriculture Production Survey in 1987 fielded fifty trained survey teams to collect production data. The survey should soon be expanded to other sectors of interest -- transportation, health, education, et al.

- A transportation, shelter, and sustenance program is required that would focus on the movement of refugees back to their homes and financial and other support through the difficult period after return. UNHCR will take the lead here, supported by an ongoing program's commodity and food deliveries and rural assistance activities.

Some refugees will only return if there is an acceptable non-Marxist government in Kabul. Some resistance political leaders may discourage refugees from returning while the PDPA is still in power, but their influence seems limited in this respect. Afghan farmers will probably make their decisions against considerations of prevailing agricultural conditions. Refugees whose homes are in nearby areas will be best positioned for an early return, with possible exceptions like Paktia, and some areas of Nangarhar and Logar provinces which have been heavily damaged. UNHCR figures indicate that the majority of Pakistan-based refugees are from nearby provinces. Announced donor programs could play an important role in motivating the return of some. Perceptions of food availability will be a critical factor.

- Transportation. The GOP and UNHCR vehicles will be the main support for their operations. Some pack animals should be available for movement of people and goods away from the major lines of communication. National Logistics Cell vehicles might transport families and bulk items inside Afghanistan, as well as refugee-owned vehicles (thought to be over 2,000 units) and commercial trucking firms. A transportation unit independent of individual parties when supplied with vehicles by the on-going assistance programs could also contribute to the totality of assets available for the repatriation effort. The over three million refugees in Pakistan comprise roughly 512,000 families. In order to minimize the amount of resettlement assistance to be provided by the donors, refugees should take everything they think they will need to reestablish themselves. If each family carries all its possessions back to Afghaistan, at most only two families -- in thousands of cases only one -- will fill a truck; thus, as many as 300,000 trips may need to be made. UNHCR statistics show most Pakistan-based refugees coming from areas near the border. Thus, it should not take more than two-days driving to get them to points near their homes. Obviously, some refugees will make their own way home.

- Shelter. Temporary shelter and rebuilding of permanent homes will be required as refugees return. This could be done by establishing regional "construction yards" for the purpose of distributing or wholesaling basic shelter needs, e.g., tents, roofing sheets,

cement, poplar poles, and rebar. UNHCR should take the principal role in this, assisted by bilateral donor programs.

- Food. Afghanistan will have to import cereals, other food commodities and agricultural inputs in the first few years. Food stocks will be quickly outrun with the introduction of hundreds of thousands (potentially 4-5 million) additional mouths to feed. This situation will require a large, but difficult to calculate, WFP, PL 480 Title II, and/or other donor-assisted food programs. Sufficient food must be made available to ensure that refugees do not see food shortages as a cause to return to Pakistan or Iran. Because feeding programs could become a mainstay of post-war programs, food for work, Maternal Child Health (MCH), and child survival programs should be developed soon. Food grain requirements are difficult to quantify now for specific times in the future. A rule-of-thumb approach is five people per ton of wheat per year. When extrapolated over the population numbers feeding programs could service, and given prevailing wheat prices, in a worst-case scenario donors could be looking at food programs approaching a million tons a year worth in excess of U.S. \$ 200,000,000 with correspondingly large logistical problems.

- Explosives Removal. Virtually every area of Afghanistan where Soviet, RA, and resistance forces have been engaged is littered with mines. The Soviets have sown thousands of them in the principal passes from the NWFP and Baluchistan into Pakistan and throughout major crop producing areas. Maps of areas mined in Afghanistan are unavailable. Mine-clearing be a central component of Soviet reconstruction efforts. Local commanders must nevertheless be in the forefront of mine detection and clearing because of their familiarity with past military operations in their areas of responsibility and because they have the most to gain from their removal. The effort to remove mines from Afghanistan will take years to complete. As a matter of priority, any mine clearing program would first treat transport routes, followed by residential areas and agricultural fields. The requisite technology and manpower must be brought to bear in order to remove these life-threatening obstacles to the conduct of normal lives. An international mine-clearing effort should consider having as a component the proposed Reconstruction Corps and train Afghans.

Expansion of the on-going assistance program in the following ways would complement resettlement activities.

- The basic health program could expand its focus on preventive and curative health care, including the continued training and posting of para-medics; provision of their supplies through the ongoing Health Sector project; support to existing and new health clinics;

and establishing district and provincial hospitals. Medical personnel at various levels of training are needed as a means of creating a medical extension service and foster the notion in rural areas that the "government cares". The health project could focus on the development of regional health services through the auspices of the Alliance Health Committee. Regional health services could cover one or more provinces and could be a discrete organization under the protection and supervision of the prevailing commander. A regional health director would report to the commander; the service should have a unified supply system, a regional hospital and smaller peripheral hospitals, clinics, and health posts, all referring difficult patients up the referral chain. The advantage of the regional health service format is that a higher quality of care can be expected with less diversion because of the greater control exerted by effective commanders.

Immunization as well as training in preventive health and maternal child health programs can be more easily implemented and sustained within regional services owing to a better developed administrative structure. A major advantage of regional services is that they will fit easily into the frame-work of nationally supported health services when Afghanistan establishes an effective central government.

Every effort should be made to provide as much inoculation coverage as possible to the refugees before they leave Pakistan. This would be done by a combination of GOP, UNHCR, UNICEF, and WHO programs.

- Commodity Support. While supporting the U.N.-led resettlement activities, the current commodity assistance program could concentrate on the provision of agricultural inputs (tractors, threshers, pumps, seed, insecticides, sprayers, and fertilizer) and reconstitution of animal herds (specifically breeding stock). For the latter, the following would be required: jacks for producing mules, dairy cattle, beef cattle, sheep for mutton and wool production, and goats. This, together with an expanded public works program, could assist the movement toward food grain self-sufficiency. Lack of food can destabilize the best of governments and, in this case, could cause a return of refugees to Pakistan and Iran and a general breakdown of the political process.

A donated commodity deliveries program cannot be perpetual: the establishment and growth of a viable private sector in Afghanistan is required to provide a bridge from the current welfare environment of receiving free food, clothing, shelter, and other basic necessities, to a monied economy where rewards are based on productivity.

- The current rural works program focusses on putting agricultural infrastructure back to work. It operates in close collaboration with individual parties and commanders. By March 1988, a total of 164 activities were underway or completed, including kareze rehabilitation, area development schemes and roads. Over 7,000 specific project requests were in hand by March, 1988. Over 500 projects are planned for completion in 1988. The rapidly growing capacity of the rural works component of the agriculture Project offers considerable potential for creating a Rural Reconstruction Corps. This would draw on existing administrative and technical capacities in the project. Such a Corps could continue working with and through de facto local and regional authorities. In other words, activities would be organized around prevailing administrative rural works systems. It would offer important opportunities to the resistance to begin the transition from military to peacetime pursuits. The Corps could repair or improve secondary and tertiary roads, repair minor irrigation systems, undertake gabion placement, conduct afforestation and reforestation activities, and participate in mine-clearing. The potential personnel pool is easily in excess of 100,000 of whom 20,000 could be recruited to start this program.

A public works program must rehabilitate government administrative structures and war-damaged roads and bridges. Roads and bridges work alone would be a major effort and could require a separate project. A widespread program could have significant employment-generation and income-producing impacts and could serve as a catalyst in building local-central administrative relationships.

- As an adjunct to rural works, rural assistance implemented by PVOs could provide survival grants for the outright purchase of food and other forms of sustenance and assistance for village agricultural development activities. (Stimulation of local economies through cash assistance has been a critical ingredient in other resettlement situations, e.g., Bangladesh.)

- General education support fosters concepts of unity and "national purpose" and helps create the human capital necessary to support longer-term development prospects. The existing education project assists 1,300 primary schools inside Afghanistan, and has provided basic literacy training for over 20,000 Mujahideen who have been deprived of schooling. Thus, models have been established for assistance in these areas which can be enlarged and extended to secondary and higher levels of education.

A high priority should be given to primary education. A realistic target after withdrawal would provide for reestablishment, during the first year, of 2,000 of the 3,440 schools existing before the

war. One-half of these schools could be provided with new buildings simple to construct quickly by labor-intensive means. Initially, all schools will have to operate in mosques, homes, or out-of-doors. All of the 200 or so secondary schools should be reestablished as soon as possible. Buildings in the provinces have been destroyed, and it is proposed to initially reconstruct up to 100 of them.

Vocational technical education will play an important role in national development. All 30 provincial schools should be restarted and half that many new campuses could be built. The Afghan Institute of Technology and the Kabul University Faculty of Engineering should be revitalized, although student capacity would be limited until sufficient numbers of qualified faculty could be mobilized. Only about 200 qualified faculty can be mobilized in engineering, agriculture, education, and medicine during the first year or so. Support with salaries, laboratories, and libraries will be necessary.

The literacy training should be expanded inside Afghanistan, taking place in primary, secondary, and vocational schools in off hours by school teaching staff, who would receive overtime or incentive pay. In-service teacher training would be required to support the primary and secondary and literacy programs outlined above.

- As an adjunct to general education, the Intergovernmental Committee on Migration might implement a Return of Talent program. ICM has successfully operated indigenous talent searches for other war-torn countries as a means of facilitating the return of highly qualified professionals. The UNDP might be encouraged to undertake a similar program. Afghanistan will sorely need all the talent it can get.

It would be extremely helpful to get PVOs involved with assisting the thousands of widows, orphans, and disabled caused by the war.

B. Reconstruction

The reconstruction phase will have to continue nearly all of the activities started during resettlement and be expanded to include new elements made possible by the presence of a stable successor Kabul Government.

- A flexible balance of payments program to provide needed foreign exchange might stabilize the economy and encourage implementation of needed economic policy reforms in domestic resource mobilization and allocation and trade policy. This would provide resources critical to a crippled economy and make possible an alternative to an economy

linked to the USSR (which currently support 60 percent of the Afghan economy and external trade through primitive, extensive, and, to the Soviets, beneficial trade and barter relationships). Conditions for this program would be the establishment of an acceptable Kabul government and use of a portion of the local currencies generated for transfers to regional authorities and their reconstruction activities. Such a mechanism recognizes the inability of a new central government to generate and distribute sufficient and timely resources where they will be most needed. Afghans should establish their own investment priorities through this program. Assistance on grant terms is unquestionably needed and would probably continue for several years. A new government could not become solvent any time soon.

- Larger-scale irrigation systems will need to be revitalized. Initial regional irrigation activities might start in the Helmand Valley. The Helmand-Arghandab Valley Authority (HAVA) still exists. The Helmand system reportedly has been run down or damaged but could be critical to putting this key agriculture area back into production.

- Regional electrification systems should be put into operation quickly; they are economically and socially significant, and relatively simple to administer if skilled and dedicated expatriate technicians are involved. (Few skilled Afghans would be available for this task unless trained during resettlement.) Major portions of these systems, especially transmission lines, have been poorly maintained, damaged, or, in some cases, destroyed. Electricity is now supplied by stand-alone generators in many areas. Restoration of electricity should have a positive impact on commerce, particularly agro-business.

- There undoubtedly will be requirements for expatriate technicians throughout government institutions in order to get basic services in place at an early date. These may relate to banking, transport, telecommunications, general economic planning, customs, taxation, et al. The general public administration services needs are enormous. The small University of Nebraska training program and a management training institute now being planned will not begin to match the requirements for some years. Donated administration services to Kabul will be needed again, and could be funded by a number of donors.

- A general capital infrastructure rehabilitation project could return government and privately owned light industries to early and full capacity. This could include the fertilizer plant at Mazar-i-Sharif and the cement plant in Herat. Later, donors can consider textile mills, iron and copper mines, etc., in keeping with

whatever long-term development strategy a stable government may adopt. Mining and mineral exploitation may offer considerable potential for economic growth. Such a project could include the roads and bridges and large irrigation systems discussed earlier. Alternatively, these could be separate projects.

- The gas fields in the northern areas, which are closely linked to adjacent regional economies in the Soviet Union, are a special problem and would require careful study in the context of the settlement arrangements and the heavy "colonial" linkages between those locations. With meters now appearing only in the Soviet Union, it is estimated that 95 percent of Afghanistan's natural gas is earmarked for Soviet consumers, especially in the industrial centers of Kirghizia and Kazakhstan.

- The spread of opium poppies has gone unchecked in Afghanistan throughout the war. As soon as reliable government authorities are in place and emergency resettlement needs are addressed, a survey of the extent of production and the design of programs to thwart it should have high priority. Agricultural or other inputs should not be made to locations where they might support poppy growing.

- The high rate of urbanization owing to poor rural security may require early donor attention. At this point, no one knows how many current urban dwellers will return to their former rural homes. Kabul's current population is 2.8 million, compared to 500,000 a decade ago. Perhaps one in four of Afghanistan's remaining inhabitants now may be living in the capital alone. Rural-urban migration could be a new development reality for Afghanistan and might be further complicated by returning refugees' resettlement in urban areas. The high urban populations of course offer a potential labor source for some of rural-based programs, especially rural works.

- Soviet and East European countries accounted for almost 72 percent of Afghanistan's trade volume in its fiscal year ending March, 1986 up from 61 percent in the previous year. Some trade and commercial relations with the USSR may be useful and necessary for the reconstruction of the Afghan economy, but not massive dependency.

C. Development

In 1971, Afghanistan was arguably at its lowest development point. Two years of drought and resulting famine had led to a doubling of wheat prices. The balance-of-payments was in such critical disrepair that the Government asked for a moratorium on its debt repayments. The period 1972-1977 brought better harvests and improved economic prospects, but the period 1978-1988 has brought

Afghanistan to a development nadir from which it will not quickly, easily, or cheaply recover.

A long-term development strategy should include a high degree of decentralization of administration and significant investments in human and capital infrastructure. Growth should be regionally spread rather than located in and around Kabul. Agriculture must be the lead sector, supported by carefully selected parastatal small industries and private sector enterprises whose products would be attractive to nearby countries and use Afghanistan's industrial and agricultural raw materials. While Afghanistan is not endowed with great natural resources, it does have good deposits of low grade minerals, natural gas, and iron and copper bodies of enormous size and potential. Other known deposits which could be important include chrome, lead, zinc, molybdenum, tin, rare earths, gold, darite, celestite, fluorite, sulfur, asbestos, talc, magnesium, and muscovite. In the early 1960s, Soviet advisors began to dominate the Kabul Ministry of Mines and Mineral Industries but have not shared their now vast understanding of Afghanistan's resource base. What is known is that the Ainak copper deposit is probably one of the world's largest and according to the World Bank could, under the right conditions, capture a profitable share of the world market. Also, the Hajikak iron deposit is judged by the French to be one of the world's largest high grade ore deposits.

Afghanistan has no railroad. If the Pakistan railheads at Chaman (Baluchistan) and Landi Kotal (NWFP) could be looped into Afghanistan to Kabul and Kandahar in a way as to make the Hajikak and Ainak deposits accessible to the railroad, then those resources could be economically transported to Pakistan or beyond for processing. At a bare minimum, development agencies should seriously consider extending by 120 kilometers the railhead from Chaman to Kandahar. This recognizes that almost all goods flowing to post-war Afghanistan will come through the nearby port of Karachi which already has a rail link to Chaman. This would be a least-cost approach to alleviating transportation constraints for this land-locked country.

The country's political and development history and prospects introduce a development conundrum to the Afghans and the international community of enormous proportions. Accordingly, the honors and the Afghans must find ways to go beyond impressive planning documents and must design workable programs with solid prospects for success as the Afghans evolve new social and cultural ms that will define the political philosophy of the post-war od.

V. BUDGET

Because of a host of imponderables, it is not possible at this time to accurately quantify the financial requirements for each RRD phase. The costs in similar situations have been huge; for example, dols 13 million has been slated in Sri Lanka for the resettlement of only 50,000 refugees. When this figure is extrapolated against the Afghan refugee numbers, and reconstruction needs are factored in, the estimates become enormous. UNHCR funding requirements will likely increase during the first year, but the specific requirements for the UNHCR-led repatriation effort are not yet known.

Foreign assistance provided by the USSR and Eastern European nations has been estimated by a Kabul official as 97 percent of the total received by the regime, most of it from the USSR. The post-withdrawal period assistance from that source is now unpredictable. Large-scale assistance is being provided to the Afghan refugees through the UNHCR, World Food Program, ICRC, and a variety of PVOs by countries throughout the non-communist world. The bilateral humanitarian assistance program for education, health, agriculture, rural works, food and commodities entering Afghanistan is spending \$ 70 million in FY 1988. Donor assistance must be widened and deepened as repatriation and resettlement begin, through the largest possible participation of bilateral and multilateral donors.

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